

Maj. David J. Baker, jr., Infantry, unassigned, to be lieutenant colonel from July 29, 1914, vice Lieut. Col. Everard E. Hatch, unassigned, promoted.

Maj. Benjamin A. Poore, Infantry, unassigned, to be lieutenant colonel from August 4, 1914, vice Lieut. Col. André W. Brewster, unassigned, detailed as inspector general.

Capt. William Newman, First Infantry, to be major from July 29, 1914, vice Maj. George W. Martin, Seventeenth Infantry, detailed as adjutant general.

Capt. Frank A. Wilcox, Infantry, unassigned, to be major from August 5, 1914, vice Maj. George B. Duncan, Ninth Infantry, detached from his proper command.

First Lieut. John S. Chambers, Fourth Infantry, to be captain from July 29, 1914, vice Capt. William Newman, First Infantry, promoted.

First Lieut. James Regan, Ninth Infantry, to be captain from August 3, 1914, vice Capt. Wilson B. Burt, Twentieth Infantry, detached from his proper command.

First Lieut. Gilbert M. Allen, Nineteenth Infantry, to be captain from August 5, 1914, vice Capt. Clenard McLaughlin, Twenty-first Infantry, detached from his proper command.

Second Lieut. Robert E. O'Brien, Twenty-seventh Infantry, to be first lieutenant from July 29, 1914, vice First Lieut. John S. Chambers, Fourth Infantry, promoted.

COAST ARTILLERY CORPS.

Second Lieut. Richard F. Cox, Coast Artillery Corps, to be first lieutenant from August 2, 1914, vice First Lieut. James R. Campbell, resigned August 1, 1914.

REGISTER OF THE LAND OFFICE.

Shober J. Rogers, of Fallon, Nev., to be register of the land office at Carson City, Nev., vice Lewis J. Cohn, term expired and resigned.

Charles D. Mackay, who was confirmed for this office July 9, 1914, declined appointment.

CONFIRMATIONS.

Executive nominations confirmed by the Senate August 7, 1914.

SECRETARIES OF EMBASSIES.

George T. Summerlin to be secretary of the embassy at Santiago, Chile.

Perry Belden to be second secretary of the embassy at Santiago, Chile.

SECRETARIES OF LEGATIONS.

Francis Travis Cox to be secretary of the legation at Tegucigalpa, Honduras.

Glenn Stewart to be second secretary of the legation at Habana, Cuba.

MEMBERS OF THE FEDERAL RESERVE BOARD.

Frederic A. Delano for a term of six years.

Paul M. Warburg for a term of four years.

COLLECTOR OF INTERNAL REVENUE.

Henry P. Keith to be collector of internal revenue for the first district of New York.

CIRCUIT COURT JUDGES.

Clarence W. Ashford to be first judge of the circuit court of the first circuit of the Territory of Hawaii.

William S. Edings to be judge of the circuit court of the second circuit of the Territory of Hawaii.

PROMOTIONS AND APPOINTMENTS IN THE PUBLIC HEALTH SERVICE.

Passed Asst. Surg. Richard H. Creel to be surgeon.

Passed Asst. Surg. Ruel E. Ebersole to be surgeon.

Passed Asst. Surg. William C. Rucker to be surgeon.

Passed Asst. Surg. Arthur M. Stimson to be surgeon.

Passed Asst. Surg. John W. Trask to be surgeon.

Asst. Surg. Warren F. Draper to be passed assistant surgeon.

Asst. Surg. Julian M. Gillespie to be passed assistant surgeon.

Asst. Surg. Lewis R. Thompson to be passed assistant surgeon.

Asst. Surg. Richard A. Kearny to be passed assistant surgeon.

Thomas Francis Keating to be assistant surgeon.

Clarence Henry Waring to be assistant surgeon.

George Alexander Wheeler to be assistant surgeon.

Roland Edward Wynne to be assistant surgeon.

Henry Charles Yarbrough to be assistant surgeon.

RECEIVER OF PUBLIC MONIES.

Owen E. Thomas to be receiver of public moneys at Kallispell, Mont.

REGISTER OF THE LAND OFFICE.

Frank M. McHaffie to be register of the land office at Missoula, Mont.

POSTMASTERS.

NEW YORK.

Melvin W. Billings, Hurleyville.

William F. Britt, Sea Cliff.

John H. Cronan, Port Henry.

Edward J. Cunningham, Amenia.

L. R. Francis, Ripley.

Archie S. Gould, Alfred.

John W. Hamilton, Stillwater.

R. P. Heaton, Chazy.

William Johnson, Groveland Station.

C. M. Marnes, Rouses Point.

William T. Welden, Richfield Springs.

Thomas P. Whalen, Dover Plains.

HOUSE OF REPRESENTATIVES.

FRIDAY, August 7, 1914.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Almighty God, our heavenly Father, whose ways are past finding out, yet whose presence manifests itself in a thousand displays of infinite wisdom, power, and goodness, we turn to Thee for consolation in this hour of inexpressible sorrow in the death of our President's wife. The charm of her presence, the purity of her soul, the sympathy of her heart for the poor and distressed will be the Nation's loss. May her example live in the hearts of the people.

Comfort, we pray Thee, the stricken and bereaved husband and children. Who can understand better than Thee the mystic ties of love and affection which bind us together into families; who can heal the broken heart when death enters the home but Thee. Be with our President and his children to uphold and sustain them in their loss. May time with its softening hand assuage their grief and fill their hearts with hope and comfort in a reunion where the love ties will be stronger, the affections warmer, never to be severed by time nor space. And æons of praise shall be Thine. In the name of Him, who taught us the resurrection and the life. Amen.

The Journal of the proceedings of yesterday was read and approved.

INTERSTATE TRADE COMMISSION.

Mr. ADAMSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 15613) to create an interstate trade commission, define its power and duties, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference.

The SPEAKER. The gentleman from Georgia asks unanimous consent to take from the Speaker's table the bill (H. R. 15613) to create an interstate trade commission, and so forth, with a Senate amendment thereto, disagree to the Senate amendment and ask for a conference. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. ADAMSON, Mr. SIMS, Mr. COVINGTON, Mr. STEVENS of Minnesota, and Mr. ESCH.

FEDERAL RESERVE ACT.

Mr. GLASS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 4966) proposing an amendment as to section 19 of the Federal reserve act, relating to reserves, and for other purposes, and consider the same at this time.

The SPEAKER. The gentleman from Virginia asks unanimous consent to take from the Speaker's table the bill S. 4966 relating to the Federal reserve act, and consider it at the present time. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 19, subsections (b) and (c) of the act approved December 23, 1913, known as the Federal reserve act, be amended and reenacted so as to read as follows:

"(b) A bank in a reserve city, as now or hereafter defined, shall hold and maintain reserves equal to 15 per cent of the aggregate amount of its demand deposits and 5 per cent of its time deposits, as follows:

"In its vaults for a period of 36 months after said date, six-fifteenths thereof, and permanently thereafter five-fifteenths.

"In the Federal reserve bank of its district for a period of 12 months after the date aforesaid, at least three-fifteenths, and for each succeeding six months an additional one-fifteenth, until six-fifteenths have been so deposited, which shall be the amount permanently required.

"For a period of 36 months after said date the balance of the reserves may be held in its own vaults, or in the Federal reserve bank, or in national banks in central reserve cities, as now defined by law.

"After said 36 months' period all of said reserves, except those hereinbefore required to be held permanently in the vaults of the member

bank and in the Federal reserve bank, shall be held in its vaults or in the Federal reserve bank, or in both, at the option of the member bank.

"(c) A bank in a central reserve city, as now or hereafter defined, shall hold and maintain a reserve equal to 18 per cent of the aggregate amount of its demand deposits and 5 per cent of its time deposits, as follows:

"In its vaults, six-eighths thereof.

"In the Federal reserve bank, seven-eighths.

"The balance of said reserves shall be held in its own vaults or in the Federal reserve bank, at its option.

"Any Federal reserve bank may receive from the member banks as reserves not exceeding one-half of each installment, eligible paper as described in section 13 properly indorsed and acceptable to the said reserve bank.

"If a State bank or trust company is required or permitted by the law of its State to keep its reserves either in its own vaults or with another State bank or trust company or with a national bank, such reserve deposits so kept in such State bank, trust company, or national bank shall be construed within the meaning of this section as if they were reserve deposits in a national bank in a reserve or central reserve city for a period of three years after the Secretary of the Treasury shall have officially announced the establishment of a Federal reserve bank in the district in which such State bank or trust company is situated. Except as thus provided, no member bank shall keep on deposit with any nonmember bank a sum in excess of 10 per cent of its own paid-up capital and surplus. No member bank shall act as the medium or agent of a nonmember bank in applying for or receiving discounts from a Federal reserve bank under the provisions of this act except by permission of the Federal Reserve Board.

"The reserve carried by a member bank with a Federal reserve bank may, under the regulations and subject to such penalties as may be prescribed by the Federal Reserve Board, be checked against and withdrawn by such member bank for the purpose of meeting existing liabilities: *Provided, however*, That no bank shall at any time make new loans or shall pay any dividends unless and until the total reserve required by law is fully restored.

"In estimating the reserves required by this act, the net balance of amounts due to and from other banks shall be taken as the basis for ascertaining the bank deposits against which reserves shall be determined. Balances in reserve banks due to member banks shall, to the extent herein provided, be counted as reserves.

"National banks located in Alaska or outside the continental United States may remain nonmember banks, and shall in that event maintain reserves and comply with all the conditions now provided by law regulating them; or said banks, except in the Philippine Islands, may, with the consent of the Reserve Board, become member banks of any one of the reserve districts, and shall, in that event, take stock, maintain reserves, and be subject to all the other provisions of this act."

The SPEAKER. Is there objection?

Mr. WINGO. Mr. Speaker, reserving the right to object, I desire to make some inquiries with reference to the bill. As I understand the bill, it affects the reserves of State banks only, and that during the 36 months' period covered by the Federal reserve act?

Mr. GLASS. That is a fact.

Mr. WINGO. After the 36 months' period has expired, the reserves will still be retained, part in the regional reserve bank and part in their own vaults and the remainder at whichever place the bank exercises its option to place it?

Mr. GLASS. That is true.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. GLASS, a motion to reconsider the vote by which the bill was passed was laid on the table.

GRAND ARMY OF THE REPUBLIC.

Mr. BARNHART. Mr. Speaker, I present herewith a privileged report upon House concurrent resolution 42, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring). That there shall be printed as a House document 1,100 copies of the journal of the forty-eighth national encampment of the Grand Army of the Republic, for the year 1914, not to exceed \$1,600 in cost; 100 to be bound in cloth, balance in paper covers.

With the following committee amendments:

Page 1, line 7, after the word "cloth," insert "for the use of the national commander."

Page 1, line 7, after the word "covers," insert "for the use of the House folding room."

The SPEAKER. The Clerk will read the report.

The Clerk read as follows:

Mr. BARNHART, from the Committee on Printing, submitted the following report to accompany House concurrent resolution 42:

The Committee on Printing, to which was referred House concurrent resolution 42, having had the same under consideration, reports the resolution back with the recommendation that it do pass with the following amendments:

Line 7, after the word "cloth," insert the following words: "for the use of the national commander."

Line 7, after the word "covers," insert the following words: "for the use of the House folding room."

The Public Printer has submitted an estimate that the printing and binding provided for in this resolution will cost \$1,600. The following statement by the Public Printer shows the cost of the printing previously ordered by Congress during the present fiscal year and the amount available therefor:

CONGRESSIONAL ALLOTMENT.

Work computed and forwarded to the allotment books—	\$93,735.44
Approximate of work ordered, but not completed—	116,264.56
Total for work ordered—	210,000.00
Congressional allotment—	1,096,780.00
Work ordered (estimated)—	210,000.00

Unencumbered balance— 1,486,700.00

The committee considered the bill, with hearings from Hon. J. A. GOULDEN, author of the bill, and Hon. Washington Gardner, national commander in chief of the Grand Army of the Republic and formerly a Member of the House of Representatives. Both presented the argument that the Grand Army of the Republic is a national patriotic organization; that the membership thereof is old in years; that their earning capacity is gone; that their numbers are rapidly waning; that the order has only limited means; that the records of the order should be made public and permanent for future authentic references; that there is specific precedent for this in the act of Congress which authorizes the printing of the proceedings of the annual meeting of the American Revolution as a public document.

It was also brought out in the hearings that several States in the Union print reports of the proceedings of the State encampment of the Grand Army of the Republic for historical-record purposes, and for the foregoing and other reasons your committee recommends that the bill do pass.

Mr. FITZGERALD. Mr. Speaker, I make the point of order on the resolution, that it is not privileged.

The SPEAKER. The Chair will hear the gentleman.

Mr. FITZGERALD. This provides for printing other than for the two Houses of Congress, and the Committee on Printing has no jurisdiction over such matters.

The SPEAKER. The Chair will hear the gentleman from New York.

Mr. FITZGERALD. Mr. Speaker, I have said all that I desire to say. The Committee on Printing has jurisdiction of the printing for the two Houses of Congress. Resolutions providing such printing alone are privileged. This resolution provides for the printing of public documents other than for the two Houses of Congress, and therefore is not privileged.

Mr. MANN. Will the gentleman yield?

Mr. FITZGERALD. I yield to the gentleman.

Mr. MANN. The concurrent resolution itself reads:

That there shall be printed as a House document 1,100 copies of the journal of the forty-eighth national encampment of the Grand Army of the Republic for the year 1914, not to exceed \$1,600 in cost; 100 to be bound in cloth, balance in paper covers.

That is as far as the resolution is concerned.

Mr. FITZGERALD. But an amendment has been reported by the committee. It has always been held that a proposed committee amendment must be considered in determining whether a resolution is privileged. As proposed to be amended it goes much further than the resolution read by the gentleman from Illinois. The amendments that are reported as committee amendments destroy the privileged character of the resolution.

Mr. MANN. Well, it might be possible that one amendment is subject to a point of order as to its being nonprivileged matter—

Mr. FITZGERALD. I think it is.

Mr. MANN. Contained in a privileged resolution.

Mr. BARNHART. Mr. Speaker, if it is permissible, in order to simplify matters I ask unanimous consent to withdraw the amendments.

Mr. FITZGERALD. Mr. Speaker, I object. I do not believe Congress should print such documents at all. It will be impossible ever to reduce the expense of public printing if we are to print the proceedings of everybody as part of the proceedings of Congress or as public documents upon the theory that they are for the information of Congress. It is merely—and we might as well be frank in discussing such matters—to relieve an association or an organization of the expense of printing the proceedings of its annual meeting. If we do that for one society, no matter what it may be, there is no excuse for not doing it for every organization which has an annual meeting. I am opposed to its being done.

The SPEAKER. The parliamentary situation is this: All matters referred to the Joint Committee on Printing for printing for the use of the House or the two Houses, of course, are in the list of privileged matter. The resolution is privileged, but the amendment is not, and the gentleman from Indiana [Mr. BARNHART] asks unanimous consent to withdraw the amendment.

Mr. FITZGERALD. Mr. Speaker, I object to the gentleman withdrawing it. It is a committee amendment, and the gentleman has no right to withdraw something that the committee has determined.

The SPEAKER. The Chair was trying to state the matter—that the gentleman from Indiana asked to withdraw the amendment, and the gentleman from New York objected to it. The resolution is not privileged, because it has this amend-

ment in it, and the House has to consider the committee amendment along with the resolution.

EXTENDING PERIOD OF PAYMENT ON RECLAMATION PROJECTS.

Mr. TAYLOR of Colorado. Mr. Speaker, I call up the conference report on the bill S. 4628, an act extending the period of payment under reclamation projects, and for other purposes. The SPEAKER. The Clerk will read the conference report. The conference report was read, as follows:

CONFERENCE REPORT (NO. 1076).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 4628) extending the period of payment under reclamation projects, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 15, and 16, and agree to the same.

That the House recede from its amendments numbered 13 and 14.

EDWARD T. TAYLOR,
JOHN E. RAKER,
MOSES P. KINKAID,

Managers on the part of the House.

MAEK A. SMITH,
HARRY LANE,
W. L. JONES,

Managers on the part of the Senate.

The statement is as follows:

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on certain amendments of the House to the bill (S. 4628) extending the period of payment under reclamation projects, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report as to each of the House amendments, namely:

On amendment No. 1: The Senate concurs in the House amendment, as it is believed that this amendment will tend to prevent speculation, and is in the interest of good faith and will protect the Government, and is a reasonable requirement upon the entryman.

On amendments Nos. 2 and 3: The Senate concurs in the House amendments, as they are merely clerical and grammatical amendments to make the language more specific.

On amendment No. 4: The Senate concurs in the House amendment, as it is deemed advisable to fix some definite time when an entry may be made, and it is deemed appropriate that the Secretary of the Interior shall designate that time and publicly announce it.

On amendment No. 5: The Senate concurs in the House amendment, as that provision was shown to be necessary in the orderly apportionment of the installments of payments to be paid under the projects.

On amendment No. 6: The Senate concurs in the House amendment, as it is merely the correction of the spelling of a word.

On amendments Nos. 7 and 8: The Senate concurs in the House amendments, as they were deemed advisable to make the language conform with the remainder of the bill.

On amendment No. 9: The Senate concurs in the House amendment, as it was deemed that the word "arrear" is more appropriate and applicable than the word "default."

On amendment No. 10: The Senate concurs in the House amendment, as that language is used on page 3, lines 18 and 19, section 3, under the heading "Penalties," and this amendment is to make the language and provisions of the two sections uniform.

On amendment No. 11: The Senate concurs in the House amendment, as it was deemed advisable that the rules made by the Interior Department on each project should be general and capable of being understood by everyone and applicable to all alike rather than special, indefinite, or uncertain.

On amendment No. 12: The Senate concurs in the House amendment, and it was deemed appropriate that these regulations should pertain only to the use of the water in the irrigation of the land, as it is the water that the department has the control over and not the handling of the land. In other words, it was to carry out the intention of the act.

On amendment No. 13: The House recedes, as the evidence in support of the bill shows that a requirement of the reclama-

tion and cultivation of one-fourth of the area of each entry under water right and within three irrigating seasons is sufficient, and that a larger requirement would work a hardship upon the entrymen with no corresponding benefit to the Government.

On amendment No. 14: The House recedes for the same reason that it recedes on amendment No. 13, believing that the cultivation of one-half of the irrigable area of an entry within five years after filing is ample to protect the Government and show good faith, and that any larger amount of cultivation would work an unnecessary hardship upon the entryman with no corresponding benefit to the Government.

On amendment No. 15: The Senate concurs in the House amendment, as it is merely a grammatical correction.

On amendment No. 16: The Senate concurs in the House amendment to strike out all of section 16 as it came from the Senate, as the facts satisfy your committee that that provision in the law would be objectionable for the reasons that it will produce an increased amount of litigation and involve the Department of the Interior and Department of Justice in unwarranted expense, cause confusion and delay in the application of the necessary rules and regulations by the Interior Department, and cause the Secretary to either refuse to furnish water or furnish it without payment for an indefinite period, and generally that the provision would be inadvisable and would have a tendency to embarrass and hamper the administration of the service without any corresponding benefit. There were many other objections set forth in the hearings on this bill, some of which appear at pages 12963 and 12964 of the CONGRESSIONAL RECORD of July 29, 1914.

The Senate concurs in the House amendment inserting the Underwood amendment as section 16, for the reason that the overwhelming majority of the House on a roll-call vote deemed it advisable to require the Reclamation Service to make estimates in advance for the money it needs for the various projects and make these public, and submit them to Congress, and annually give the reasons why they need the money for each particular project. This amendment is deemed in the interest of good administration, that the expenditures of these funds should be submitted to the scrutiny of Congress, and that it would thereby lead to a wiser and more economical expenditure of the reclamation fund. Moreover, there is a determined sentiment in Congress to abolish continuing annual appropriations and not to permit large sums of money to be subject to the unrestricted disposition by any one bureau or department. It is therefore believed that this amendment will bring about a more efficient administration and disposition of the reclamation fund. There are many reasons both for and against this amendment, but your conference committee felt in duty bound to respect the forcible argument and the practically 4 to 1 vote of the House after exhaustive debate upon this amendment.

EDWARD T. TAYLOR,
JOHN E. RAKER,
MOSES P. KINKAID,

Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

Mr. MONDELL. Mr. Speaker, will the gentleman from Colorado yield for a question?

Mr. TAYLOR of Colorado. Yes, sir.

Mr. MONDELL. As I understand, the conference agreement accepts all the House amendments except the two relating to the amount of cultivation which the Secretary may require?

Mr. TAYLOR of Colorado. That is correct. The House accepts the provisions of the Senate bill as to cultivation. That is one-fourth the first three years and one-half in five years. The Senate receded on 14 of the 16 amendments and the House receded on those 2.

Mr. MONDELL. The bill as agreed to includes the so-called Underwood amendment, does it not?

Mr. TAYLOR of Colorado. Yes. I may say, generally speaking, that the only real difference between the two bodies was the amendment of the House striking out what was known as the Sterling amendment with respect to the jurisdiction of the courts and the Underwood amendment taking away from the Reclamation Service the apportionment and appropriation of the reclamation fund and putting it in Congress. The Senate conferees ultimately yielded on both of those amendments, and the Senate has already adopted the conference report and so notified the House.

The gentleman from Wyoming and the House will recall that after exhaustive debate upon the Underwood amendment, the House went on record by a roll-call vote of nearly 4 to 1 in favor of that amendment. There is no question but what the

overwhelming majority of this House is very emphatic in its belief of the advisability of requiring the Reclamation Service to make estimates in advance for the money it needs for the various projects and make these public and annually submit them to Congress and give the reasons why they need the money for each particular project.

Regardless of what some of the Members from the West thought about it, the House firmly believes that this amendment is in the interest of good administration, and that the expenditure of the money coming into the reclamation fund should be submitted to the scrutiny of Congress. The Members generally believe that a supervisory control of these funds by Congress will lead to a wiser and more economical expenditure of the money. Moreover, there is apparently a determined sentiment in Congress, as the gentleman from New York [Mr. FITZGERALD] has said, to abolish continuing annual appropriations and not permit large sums of money to be subject to unrestricted disposition by any one department or bureau. The advocates of this amendment, including the leading Members of this House, are so confident that this provision will bring about a more efficient administration and disposition of the reclamation fund that your conference committee felt in duty bound to respect that instruction of this House.

We have set forth this matter rather fully in our conference report. The very great beneficial features of this measure so outweigh this one feature, the propriety of which is questioned, that on behalf of the West I earnestly hope that this conference report will be agreed to. All the House has to consider now is these two minor amendments that your committee yielded upon.

Mr. MONDELL. I regret that the conferees on the part of the Senate felt compelled to accept the Underwood amendment, because I feel that this is questionable, but I suppose the House conferees were bound by the action of the House and assured the Senate that the House would not change its opinion with regard to those matters.

Mr. TAYLOR of Colorado. That is true; and I will ask the gentleman from Wyoming if he does not feel the House conferees were in good faith bound to insist upon and respect the overwhelming vote of this House on that amendment as the Senate has done?

Mr. MONDELL. I do; and I think the conference report under the circumstances is a most excellent one. I think the legislation as a whole is good. I hope the conference report will be accepted that the bill may speedily become a law.

Mr. TAYLOR of Colorado. The only question now before the House is merely as to the amount of cultivation required. The conferees consider that the bill as originally passed by the Senate was nearer fair and right to the settlers and would fully protect the Government, and therefore we yielded on those two minor amendments. I now yield to the gentleman from Arizona [Mr. HAYDEN] three minutes.

Mr. HAYDEN. Mr. Speaker, I shall not use the three minutes, because I know that the gentleman from Tennessee [Mr. MOON], chairman of the Committee on Post Offices and Post Roads, is anxious to get on with his bill, and therefore I ask unanimous consent to extend my remarks in the Record.

Mr. TAYLOR of Colorado. I yield to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Speaker, what has been said by the gentleman from Colorado [Mr. TAYLOR] is correct as regards the situation of the bill, and, desiring not to take up the time of the House, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. The gentleman from California [Mr. RAKER], and the gentleman from Arizona [Mr. HAYDEN] ask unanimous consent to extend their remarks in the Record. Is there objection?

Mr. BURKE of South Dakota. Will the gentleman from Colorado yield for a question—

Mr. MANN. Mr. Speaker, what is the request?

The SPEAKER. The request was that the gentleman from California [Mr. RAKER] and the gentleman from Arizona [Mr. HAYDEN] be allowed to extend their remarks in the Record. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, do I understand the gentlemen want to insert in the Record at this place long speeches on this subject to tell why the conference report should be agreed to, when it is going to be agreed to without debate at all?

[Mr. RAKER addressed the House. See Appendix.]

Mr. BURKE of South Dakota. Mr. Speaker, will the gentleman from Colorado [Mr. TAYLOR] yield for a question?

Mr. TAYLOR of Colorado. Certainly.

Mr. BURKE of South Dakota. I notice in the statement filed by the managers on the part of the House that they attempt to explain why the Senate conferees receded from the disagreement of the Senate to House amendment No. 16, known as the Underwood amendment, and I am wondering if the managers on the part of the House are attempting to defend the action of the Senate conferees, or whether they are apologizing for what they, the House conferees, accomplished by insisting upon the amendment of the House. It is rather unusual in a statement, I will say to the gentleman, for the managers on the part of the House to explain why the Senate conferees consented to recede and agree to a House amendment.

Mr. TAYLOR of Colorado. I may say that we had several long and very earnest conferences on that one amendment, and if you will examine the CONGRESSIONAL RECORD of yesterday you will see that the Senate had a lengthy debate on it also. My understanding of the function of a statement by a conference committee is to give the House some idea of the action of the conference committee in arriving at its determination and the effect of these amendments. I may say that I will assume the individual responsibility for the language that is used in this report.

I feel that I ought to say one thing more before I call for a vote upon this bill. There have been some statements going out over the country to the effect that some of the western Members of the House did not give the attention that they should to this measure during the many months that we have had this bill under consideration, and that if it had not been for the very important services of some of the individuals issuing those statements the bill would never have passed. I want to say on behalf of the Irrigation Committee that those kind of statements are absolute nonsense. No lobby or any agent sent on here by any water users' association or any other association has had anything whatever to do with the preparation or consideration of this bill. And anybody outside of Congress who claims to have exercised any control or influence over this legislation is gratuitously assuming an importance which he does not possess and ought not to be paid for. All of the Irrigation Committee and the western Members generally have worked long and faithfully and well upon this bill.

Now I yield three minutes to the gentleman from Arizona [Mr. HAYDEN].

Mr. HAYDEN. Mr. Speaker, I desire to congratulate the House on the final action that is about to be taken on the reclamation extension bill. Its enactment into law will confer a double benefit—to the Government by insuring the continuation of our national irrigation policy and to the water users by making it certain that they will be able to meet their payments promptly without undue hardship. Under the operation of this act we will create an irrigated empire in the West providing homes for thousands of our citizens. The new settlers upon the projects will help to feed and clothe the Nation, and they will consume an increasing share of its manufactured products at a place where no European war can interfere with the exchange of such commodities.

While I do not approve of the amendment which provides for annual appropriations by Congress from the reclamation fund, yet whatever of evil that may come from this change is overbalanced by the other excellent features of this measure. I therefore vouch for the good effect of this bill with my whole heart, and I am qualified to testify in its behalf. I am of the first generation of Americans grown to manhood in the arid West. I was born in an irrigated valley. I have watered my father's fields by night. I have led the liquid of life on to the parched earth, and I know the goodly smell that rises when the water touches the dusty clods.

When the dry years came I saw fair fields and fruitful orchards go back to the desert. I saw the horses pawing at the roots of the alfalfa, for there was no green thing for them to eat. Even the trees on the ditch banks died. The people prayed for rain, but there was no cloud in the sky, and the streams went dry.

And then I have seen it all return. This same land has blossomed again under the beneficence of the reclamation act. The trees along the fences and the section lines have grown thick, until they cut off the view like a forest. The pastures are green and the cattle fat. There is hope in the land. Men know that when they plant the seed a bountiful harvest will surely follow. By this act the Government does its part to guarantee them an opportunity to enjoy continued prosperity.

I assure you that they are a grateful people. They do not always forgive their enemies, but they never forget their friends, and I know that I speak for every water user in the West when I thank the Members of this House who have assisted in the passage of this bill. [Applause.]

Mr. TAYLOR of Colorado. Mr. Speaker, I call for a vote on the adoption of the conference report.

Mr. FITZGERALD. Mr. Speaker, I would like to have a couple of minutes.

Mr. TAYLOR of Colorado. I yield two minutes to the gentleman from New York [Mr. FITZGERALD].

The SPEAKER. The gentleman from New York is recognized for two minutes.

Mr. FITZGERALD. Mr. Speaker, in addition to the relief that is extended to the settlers on these irrigated lands, this bill is to be commended because of another great reform which it institutes. It provides practically for the repeal of another of the permanent appropriations, and puts in the control of Congress the determination of how much money is to be expended in each fiscal year for reclamation purposes and the projects upon which it is to be expended.

If this power had been retained by Congress when the irrigation law was first enacted, I am quite convinced that there would not have arisen the situation which now plagues the people of the arid and semiarid States. If it has been necessary for the Department of the Interior to submit to the Congress the estimates for the various projects to be initiated, and to have had them carefully investigated in advance and passed upon, and specific appropriations made therefor, not only would considerable waste and indefensible extravagance have been avoided, but many of the settlers who, in good faith, have taken up these lands would have been relieved of the embarrassment in which they now find themselves.

I think I can say that it is the intention of the House, when the estimates will be submitted, as they will be hereafter, and when these appropriations will probably be included, as such appropriations are, in the sundry civil appropriation bill, to make an impartial and thorough and fair investigation, not for the purpose in any way of crippling the department in the conduct of these enterprises, but in order to safeguard the interests both of the Treasury and of the settlers, and to provide adequate funds to carry on these projects in a proper, efficient, and economical manner; to avoid waste and extravagance, and to conserve alike the interests of the settlers and those interested in the development of the country.

Mr. TAYLOR of Colorado. Mr. Speaker, I hope the prophecy of the gentleman from New York [Mr. FITZGERALD] may prove to be true in this matter. I will merely call attention in this connection to the fact that I think one reason why the West is somewhat incredulous about this Underwood amendment and as to how it will affect us is because we have no representation on the Committee on Appropriations from anywhere in that entire western half of the United States.

Mr. MADDEN. Oh, I beg the gentleman's pardon; the gentleman from Wyoming [Mr. MONDELL] is a member of that committee.

Mr. TAYLOR of Colorado. I mean the majority membership of the House has no representative from the West on that committee.

Mr. MADDEN. Those States do not represent the majority of the House.

Mr. TAYLOR of Colorado. The Democratic Party represents a majority of this House, and there is no Democrat at this time on that committee from anywhere west of the Missouri River.

Mr. MANN. It will not have in the next Congress. [Applause on the Republican side.]

Mr. FITZGERALD. Let me say to the gentleman from Colorado that I was one of those who voted for the irrigation bill when it first passed the House.

Mr. TAYLOR of Colorado. I know that, and we appreciate your support.

Mr. FITZGERALD. And I am as much interested, and the people of the East and the South and the Northeast are as much interested in the development of these lands as are the people who are to get the direct benefit. All that we desire is to have those lands developed in a manner that shall be free from criticism and to prevent unfair and undue burdens being placed alike upon the settlers and the taxpayers of the United States generally.

Mr. TAYLOR of Colorado. I do not mean to impute to the gentleman or to his committee or to anyone any unfairness or unfriendliness. I have implicit confidence in this House acting wisely and fairly in the distribution of the reclamation fund. I was merely endeavoring to suggest to the gentleman that we Members from the States in which these reclamation projects

are situated, and our constituents naturally feel that we know the needs of the West better than anyone can who does not live there, and we therefore feel that we are entitled to representation on that committee when it comes to dealing with irrigation affairs.

Mr. MADDEN. Mr. Speaker, if I had my way in choosing the personnel on the committees I would not appoint anyone from an interested State on one of these committees dealing with these affairs, and I would not have any man on the committee interested in a project for which an appropriation was to be made.

Mr. TAYLOR of Colorado. Would you put any man coming from a river and harbor district on the Committee on Rivers and Harbors?

Mr. MADDEN. No; I would not. I would have men on that committee coming from the interior of the country, where no rivers and harbors would be legislated for; and then I think we would secure legislation for the benefit of the people of the United States, instead of for the benefit of the particular districts represented by the men on that committee.

Mr. TAYLOR of Colorado. When does the gentleman think that Utopian condition will come in this House? Mr. Speaker, I ask for the adoption of the conference report.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

On motion of Mr. TAYLOR of Colorado, a motion to reconsider the vote whereby the conference report was agreed to was laid on the table.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Colorado asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The SPEAKER. Some minutes ago the gentleman from California [Mr. RAKER] and the gentleman from Arizona [Mr. HAYDEN] asked leave to extend their remarks, and the question was never put. Is there objection? [After a pause.] The Chair hears none.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Carr, one of its clerks, announced that the Senate had passed with amendments the bill (H. R. 2167) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 6134. An act granting the consent of Congress to the Interstate Bridge and Terminal Co., of Muscatine, Iowa, to build a bridge across the Mississippi River.

The message also announced that the President had approved and signed bills of the following titles:

On August 4, 1914:

S. 6192. An act to amend section 27 of an act approved December 23, 1913, and known as the Federal reserve act.

On August 5, 1914:

S. 663. An act for the relief of Thomas G. Running; and

S. 3176. An act to increase the limit of cost of the public building at Bangor, Me.

On August 6, 1914:

S. 1149. An act for the relief of Seth Watson;

S. 1784. An act restoring to the public domain certain lands heretofore reserved for reservoir purposes at the headwaters of the Mississippi River and tributaries;

S. 1803. An act for the relief of Benjamin E. Jones;

S. 3761. An act for the relief of Matthew Logan; and

S. 6101. An act to grant the consent of Congress for the city of Lawrence, county of Essex, State of Massachusetts, to construct a bridge across the Merrimac River.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 11822. An act to acquire, by purchase, condemnation, or otherwise, additional land for the post office, courthouse, and customhouse in the city of Richmond, Va.;

H. R. 15959. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors;

H. R. 16345. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; and

H. R. 17482. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

ENROLLED BILLS SIGNED.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 5501. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors;

S. 5278. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors;

S. 4969. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors; and

S. 5899. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors.

POSTAL SAVINGS SYSTEM.

Mr. MOON rose.

The SPEAKER. The gentleman from Tennessee is recognized.

Mr. MOON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7967) to amend the act approved June 25, 1910, authorizing a postal savings system, with Senate amendments, to disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Tennessee [Mr. Moon] asks unanimous consent to take from the Speaker's table House bill 7967, disagree to the Senate amendments, and ask for a conference. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 7967) to amend the act approved June 25, 1910, authorizing a postal savings system.

Mr. MANN. Mr. Speaker, reserving the right to object, I do not know just what the Senate amendments really are to the first section of the bill, although as printed they do not make sense. But section 2 of the bill, I should think, ought to go to the committee, and I therefore object to the gentleman's request.

Mr. MOON. I do not hear the gentleman.

Mr. MANN. I think that section 2, which the Senate has added by way of an amendment, is a matter that ought to be considered by the committee.

Mr. MOON. Does the gentleman object to its going to conference?

Mr. MANN. I do at present.

Mr. MOON. Well, Mr. Speaker, if it is in order, I move to take the bill from the Speaker's table.

Mr. MANN. Well, it is not in order.

The SPEAKER. The gentleman from Illinois objects.

Mr. MOON. I move, Mr. Speaker, to take this bill from the Speaker's table, disagree to the Senate amendments, and ask for a conference.

Mr. MANN. Well, Mr. Speaker, I make the point of order that that motion is not in order.

Mr. MOON. What is the reason?

Mr. MANN. The Senate amendment by way of section 2 involves the whole question of savings banks.

Mr. MOON. It does not involve any charge on the Treasury or appointment to any office.

Mr. MANN. Certainly it does. It provides how the money is to be invested and authorizes the payment of interest, and a lot of other things.

Mr. UNDERWOOD. Mr. Speaker, may the amendment be reported to the House for information?

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Senate amendment No. 4: After line 11 insert:

"SEC. 2. That postal savings funds received under the provisions of this act shall be deposited in solvent banks, whether organized under national or State laws, and whether member banks or not of a reserve bank created by the Federal reserve act, approved December 23, 1913, being subject to National or State supervision and examination, and the sums deposited shall bear interest at the rate of not less than 2 1/2 per cent per annum, which rate shall be uniform throughout the United States and Territories thereof; but 5 per cent of such funds shall be withdrawn by the board of trustees and kept with the Treasurer of the United States, who shall be treasurer of the board of trustees, in lawful money as a reserve. The board of trustees shall take from

such banks such security in public bonds or other securities, supported by the taxing power, as the board may prescribe, approve, and deem sufficient and necessary to insure the safety and prompt payment of such deposits on demand. The funds received at the postal savings depository offices in each city, town, village, and other locality shall be deposited in banks located therein (substantially in proportion to the capital and surplus of each such bank) willing to receive such deposits under the terms of this act and the regulations made by authority thereof, but the amount deposited in any one bank shall at no time exceed the amount of the paid-in capital and one-half the surplus of such bank. If no such bank exist in any city, town, village, or locality, or if none where such deposits are made will receive such deposits on the terms prescribed, then such funds shall be deposited under the terms of this act in the bank most convenient to such locality. If no such bank in any State or Territory is willing to receive such deposits on the terms prescribed, then the same shall be deposited with the treasurer of the board of trustees and shall be counted in making up the reserve of 5 per cent. Such funds may be withdrawn from the treasurer of said board of trustees, and all other postal savings funds, or any part of such funds, may be at any time withdrawn from banks and savings depository offices for the repayment of postal savings depositors when required for that purpose. When, in the judgment of the President, war or other exigency involving the credit of the United States so requires, the board of trustees may invest all or any part of the postal savings funds, except the reserve fund of 5 per cent herein provided for, in bonds or other securities of the United States. The board of trustees may, in its discretion, purchase from the holders thereof bonds which have been or may be issued under the provisions of section 10 of the act of June 25, 1910. Interest and profit accruing from the deposits or investment of postal savings funds shall be applied to the payment of interest due to postal savings depositors as hereinbefore provided, and the excess thereof, if any, shall be covered into the Treasury of the United States as a part of the postal revenue: *Provided*, That postal savings funds in the treasury of said board shall be subject to disposition as provided in this act, and not otherwise: *Provided further*, That the board of trustees may at any time dispose of bonds held as postal savings investments and use the proceeds to meet withdrawals of deposits by depositors. For the purposes of this act the word 'Territory,' as used herein, shall be held to include the District of Columbia, the District of Alaska, and Porto Rico, and the word 'bank' shall be held to include savings banks and trust companies doing a banking business."

Mr. UNDERWOOD. Mr. Speaker, I think under the rule a House bill with Senate amendments can be taken from the Speaker's table and considered, if it is not subject to consideration in Committee of the Whole, or would not have gone to the Union Calendar if reported. I think the whole question involved here is whether this amendment makes a charge on the Treasury of the United States. I understand that the interest rate is not changed. If the interest rate is not changed, it seems to me that the remainder of the bill is subject to consideration in the House.

Mr. MANN. This is an original proposition. It is not even amendatory of a law. On its face it not only involves a charge on the Treasury, but it provides for the payment of interest. It provides for turning receipts into the General Treasury. It is an entirely new proposition.

Mr. UNDERWOOD. Is not the interest rate fixed in the House bill?

Mr. MANN. It is not.

Mr. UNDERWOOD. Is it not fixed in the present law to which this is amendatory?

Mr. MANN. That does not make any difference. This is an original proposition. Just what changes are made in this section from the existing law I do not know, but it does not purport to be amendatory of the existing law, and it does not repeal the existing law. Probably that would not be necessary. It only applies to this act. The amount involved is small, but clearly it involves a charge upon the Treasury. I do not know that I shall object to its going to conference after it comes from the committee, but this is an entirely new proposition, which has not been considered in the House, and I think it ought first to go to the Post Office Committee.

Mr. UNDERWOOD. I am not familiar enough with the law to say—

Mr. MOON. The interest rate is not changed at all. Does the gentleman from Illinois understand that the rate of interest is changed by this amendment?

Mr. MANN. I do not say. The Senate amendment is an entirely new proposition.

Mr. MOON. I know it is; but it makes no charge on the Treasury.

Mr. MANN. Certainly, it does.

Mr. MOON. What is it?

Mr. MANN. It specifically provides for the payment of interest upon deposits.

Mr. MOON. The original law does that.

Mr. MANN. But this is not the original law. This is a new bill.

Mr. MOON. This is an amendment to the original law.

Mr. MANN. I beg the gentleman's pardon.

Mr. MOON. The original law fixes the rate.

Mr. MANN. It is not even an amendment to the existing law, so far as section 2 is concerned; but if it were, it would not make any difference.

The SPEAKER. The whole question turns on this point: Does it show on its face that it is a charge on the Treasury, or not?

Mr. MANN. Either a charge on the Treasury or the raising of revenue. It shows on its face that it raises revenue, to begin with.

The SPEAKER. Suppose this was introduced as a new bill, to what calendar would it go?

Mr. MANN. It would go to the Union Calendar, undoubtedly, where the original postal savings bank bill went.

The SPEAKER. The Chair will ask the gentleman from Tennessee what he has to say about this provision:

The board of trustees may invest all or any part of the postal savings funds, except the reserve fund of 5 per cent herein provided for, in bonds or other securities of the United States. The board of trustees may in its discretion purchase from the holders thereof bonds which have been or may be issued under the provisions of section 10 of the act of June 25, 1910.

And then the next sentence:

Interest and profit accruing from the deposits or investment of postal savings funds shall be applied to the payment of interest due to postal savings depositors as hereinbefore provided, and the excess thereof, if any, shall be covered into the Treasury of the United States as a part of the postal revenue.

What does the gentleman say about that? Suppose that had been introduced here as an original bill, where would it have gone?

Mr. MOON. To begin with, it is not introduced as an original bill. It is an amendment to the original bill.

The SPEAKER. I know, but the same rule applies.

Mr. MOON. As I understand, bills that appropriate money, or dispose of the public lands, or create an obligation against the Government of the United States must go to the Union Calendar. This does nothing of the sort. This does not enforce a charge upon the Treasury in any way. It is but an amendment to the existing law that fixes the rate of interest, and the purpose of this is really to add to the revenues of the Treasury instead of taking from them.

Mr. MANN. That would send it to the Union Calendar.

The SPEAKER. What does the gentleman from Alabama [Mr. UNDERWOOD] say about the words that the Speaker has read?

Mr. UNDERWOOD. Mr. Speaker, I am not sufficiently familiar with the bill to advise the Speaker as to the effect of it. If it is a reenactment of the present statute, so far as the charge upon the Treasury is concerned, and is amendatory of those portions of the statute that are not a charge on the Treasury, it seems to me that it is in order. Of course if it is a revenue-producing bill, it goes to the Union Calendar and is not in order at this time, because undoubtedly a bill of that kind goes to the Union Calendar and can not be taken up on this motion. But if it is not a revenue-producing bill, and does not make a charge upon the Treasury, the gentleman's motion is in order. It seems to me that, so far as the interest rate is concerned, if it is a reenactment of the old law in that respect, that does not make a charge upon the Treasury.

Mr. MOON. Mr. Speaker, when I called up this matter I did not suppose there would be any possible objection to my motion; but there seems to be, and inasmuch as I am very anxious to get to the consideration of a measure in which the House is very much more interested than it is in this, I ask permission to withdraw that motion and to let this bill remain where it is.

The SPEAKER. It will remain on the Speaker's table, so that the Chair may have time to investigate it.

COMMITTEE TO ATTEND THE FUNERAL OF MRS. WILSON.

The SPEAKER announced as the committee to attend the funeral of Mrs. Wilson, under the resolution agreed to yesterday (H. Res. 586), Messrs. UNDERWOOD, HAYDEN, FLOYD of Arkansas, KAHN, TAYLOR of Colorado, REILLY of Connecticut, BROCKSON, SPARKMAN, ADAMSON, FRENCH, MANN, DIXON, HAUGEN, MURDOCK, STANLEY, BROUSSARD, GUERNSEY, TALBOTT of Maryland, GILLET, SAMUEL W. SMITH, STEVENS of Minnesota, CANDLER of Mississippi, LLOYD, EVANS, ROBERTS of Nevada, KINKAID of Nebraska, REED, BAKER, FERGUSON, PAYNE, SMALL, HELGESON, SHERWOOD, MCGUIRE of Oklahoma, HAWLEY, BUTLER, O'SHAUNESSY, FINLEY, BURKE of South Dakota, SIMS, STEPHENS of Texas, HOWELL, PLUMLEY, JONES, HUMPHREY of Washington, HUGHES of West Virginia, COOPER, MONDELL, and LEE of Georgia.

The SPEAKER. In making up this committee the Chair appointed the Member senior in service from each State. Where there were more than one man of the same length of service—and in the case of Texas there were three—the Chair selected the oldest man. The gentleman from New Jersey [Mr. HAMILL], who is the senior in service from that State, asked the Chair to appoint Mr. BAKER in his place. Judge BARTLETT, of Georgia, has had to leave the city, on account of the condition of his

health, and the Chair appoints Mr. ADAMSON in his place. Dr. BARTHOLDT, of Missouri, has not returned from Europe, and the Chair appoints Mr. LLOYD in his place; and the Chair asks unanimous consent to be permitted to appoint Mr. GORDON LEE, of Georgia, a member of the committee, because Mrs. Wilson is to be buried in his district. Is there objection?

There was no objection.

The SPEAKER. The Chair will state that he has information that the White House will give out a statement about the President's desire in respect to these committees.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. SINNOTT, for five days, on account of illness in his family.

POSTAL AND CIVIL-SERVICE LAWS.

On motion of Mr. MOON, the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 17042) to amend the postal and civil-service laws, and for other purposes, with Mr. CONRY in the chair.

Mr. MOON. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. BEAKES]. [Applause.]

Mr. BEAKES. Mr. Chairman, years ago, when under the last Cleveland administration, I was postmaster at Ann Arbor, Mich., I used to wonder at the extravagant price the Government paid the railroads for carrying the mail. Under the McKinley administration I passed through one experience of weighing the mails and heard much about it from the postal employees which left an indelible impression upon my mind as to the wrong methods used. At that time, besides hiring the railway mail cars, the Government was paying more to the railroads for transporting the mail in these cars which they had already rented than the combined salaries of all the postmasters in the United States, all the railway mail clerks, and all the clerks in the post offices of the country. In other words, it was costing the Government more for merely transporting mail in trains, which were going over the road anyway, than it was costing to pay the men who assembled this mail piece by piece, who tied it up, put it in pouches or sacks, redistributed it, often many times, and also the men who sold the stamps and who handed it out piece by piece to the people.

Now, years later, as a Congressman and a member of the Committee on the Post Office and Post Roads, charged with the duty of investigating the subject of railway mail pay, I find the railroads claiming that they are underpaid, because the railway mail pay does not now use up as large a percentage of the mail revenue as it did 20 years ago. Now, the railroads ask for a continuance of the present method of payment at an increased rate, and fight the method of payment advocated in this bill because they claim that they do not know that they will get an increased revenue under it. And each Member of this House has been deluged with literature, much of which attacks your Committee on the Post Office and Post Roads for daring to present for your consideration a bill based upon what we conceive to be more scientific lines than the present system. And their chief indictment against us is that we did not call them before our committee for hearings upon the subject. But a joint committee on postage on second-class matter and compensation for the transportation of the mails was appointed by the Senate and the House in August, 1912, and that committee had extensive hearings of the railroads, which came down as late as April of this year, and these hearings in 12 volumes were before us. After reading what the railroad representatives had to say in these 12 volumes of hearings, I for one am pretty firmly of the opinion that unless the railroads employed a far different set of experts the sum of our knowledge would be but little increased were we to go into such extensive hearings that this present Congress could not consider any bill upon this subject. The sum total of the railroad demands can be comprehended in the general statement that they want more pay. The mails have increased, therefore pay must increase. That proposition is true only if predicated on the proposition that the railway mail pay system in use since 1873 is a proper system founded on scientific lines and paying a just amount of revenue to each railroad. But the railroads themselves will not claim this. Nobody can deny that under the present system some railroads are grossly underpaid. Some railroads lose money carrying the mails, other roads make money. It is a complicated system. It is on the face of it unjust. For instance, the Government pays \$5,000 or more a year rental for a 60-foot railroad postal car, and then it pays by weight for the mail carried in this car. But it pays not a penny rental for a 30-foot apartment car used in the same way. So the mail routes not requiring full postal cars are greatly discriminated against. The rental paid for the postal car is not for compensating the road for constructing the car. Two years' rental would

build the car. It is paid for transporting the car over the road. The Government having paid once for this, why should it pay again by weighing the 2½ or 3 tons of mail going in the car and paying for that? The railroads complain that the mail is weighed only once in four years, so that they do not get increased pay for increased weight until the next weighing period comes around. That is a defect ought to be remedied in this bill, under which the railroads get pay for all space used. If the mails increase and more space is required, that instant the railway mail pay for the increased space begins. But, going back to my own personal observations as to weighing the mails when I was postmaster, during the period when the mails were weighed the mails enormously increased. During that period all the heavy catalogues were received; there was a tremendous influx of heavy Government documents. I am speaking solely of what I saw in my own office. But I was informed by old railroad mail clerks with whom I talked at that time that that had always been the case at such periods. When the weighing ceased there was a tremendous letting up on the weight of mail received. I never knew how this extra weight came about, but I used to wonder if a railroad could not very well afford to pay a part of the postage of heavy catalogue houses if they would send their catalogues during the weighing period, as they would get railway mail pay on the weight of these catalogues over and over again during the succeeding four years. But be this as it may, before the four years' weighing period came around again the natural increase in the mail usually caught up and left the railroads underpaid, if the amount they received right after the weighing period was a just compensation.

It has been known for years that the present system of paying for mail transportation was unsatisfactory. It is so complex that in half an hour I could not give you a clear enough conception of it so that you could understand it. We can not tell our constituents whether any given railroad is receiving a just compensation or not without spending days on the problem. The railroads themselves, in the hearings, demonstrated to my satisfaction that they could not tell. Naturally they claim that they are underpaid, but when it comes to fixing the amount they are underpaid they are at sea. Take the different estimates of the total amount of underpayment made by the railroads after they had had committee figuring on it for months, as testified to before the commission. Throughout their testimony runs a general claim of \$15,000,000 underpayment; yet when they come to produce their figures by different methods they arrive at the following results: On page 106 of the hearings they claim they are annually underpaid \$38,000,000, yet on page 1074 they get down to the exact dollar and put the figures at \$6,852,841. On page 1074, by different methods, they claim the amount of their underpayment is \$29,044,859 and \$17,229,305 and repeat these claims on page 1114. On page 1087 they have two other estimates of total losses, one of \$20,815,154 and another of \$13,591,154, while on page 183 they figure that it would cost the Government between \$10,500,000 and \$11,500,000 to give them the increase which would prove satisfactory.

The fact is that the railroads have never figured out the cost to their own satisfaction or to that of anybody else. There never was but one bona fide attempt to figure out the cost, and that was made by the Post Office Department, which gathered figures from the railroads on the operation of the mails for November of the year 1909, and deduced from these figures that the railroads were overpaid at that time \$9,000,000 a year. This was published in a document well known as Document No. 105, and a great share of the hearings before the joint commission of the Senate and House was taken up by fierce attacks on this document. Yet the railroads, while claiming that they were greatly underpaid, have never offered any figures except figures based on their receiving an arbitrary per cent of the revenue of the post office, or figures based on changes they wanted made in the figures in Document No. 105. Apparently the railroads do not know what it costs them to carry freight, to carry passengers, to carry express, to carry mail. So many items of expense common to all branches of the service they divide arbitrarily. Mr. Safford, mail and express agent of the Seaboard Air Line, well expressed it on page 137 of the hearings when he said:

For instance, if you start out to accomplish a given result you can adopt a method of apportionment that will most nearly bring about the result you started for.

Again he said:

There is no generally accepted method of apportionment at the present time.

And his testimony as to the cost to his own road of carrying the mails amply bears out these assertions, for he used eight

different methods of figuring profit or loss on the \$167,522.26 paid the Seaboard Air Line for carrying the mails in 1912, and they varied in results from a profit of \$48,117.78 to a loss of \$289,147.84. What is such figuring worth?

Mr. Peters, chairman of the railroad committee, on page 186 of the hearings, admitted that prior to 1909 the railroads had no definite knowledge as to whether they were making a profit or losing on their mail contracts; that is, they did not know anything about it until the post-office officials had prepared Document No. 105, which they now hate so intensely. They say they want more money, and we believe that, but their committee, which has worked, they say, for four years on this subject, only relies upon the figures in Document No. 105 for their proofs, and these figures they alter by adding what has been called dead space. Mr. Mack, traffic manager of the Missouri Pacific, argues on page 615 of the hearings:

Costs are not definite and reliable. The costs are based upon an arbitrary division.

And yet if the costs are not reliable, how can they so confidently figure out that they are underpaid? Mr. Worthington, of the Southern Pacific, on page 348, says:

In my opinion it is absolutely impossible to anywhere nearly ascertain a cost. You can obtain an estimate of cost, but that will vary with the person who makes the estimate.

And again on the same page he says:

Fixed charges can not be allocated at all, whilst only about one-half of the operating expenses can be allocated between passenger and freight service. The remainder must be approximated, and this approximation varies widely, according to the judgment of the individual making it. No two experts would agree on this apportionment.

Mr. Snead, of the Chesapeake & Ohio Railroad, on page 395, says:

The cost question never would be anything better than an approximation.

Mr. Wishart, statistician of the New York Central lines, on pages 607 and 608, bears testimony to his belief that it is an absolute impossibility to evolve a plan of cost accounting for railroads that would be universal in its application. Mr. Peters, the chairman of the railroad committee, on page 839, says:

I do not see how you can reach any reasonable or fair basis of pay fixed on cost.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MURDOCK. Why can not the gentleman have more time?

Mr. MOON. Because I have not more time to yield him.

Mr. STAFFORD. Will not the gentleman from Michigan yield him some more time?

Mr. SAMUEL W. SMITH. Would the gentleman like 10 minutes?

Mr. BEAKES. Yes.

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield the gentleman 10 minutes.

Mr. BEAKES. Mr. Chairman, again, on page 1322, in speaking of the lack of separation of costs by the railroads, he lays it to "the large expense involved in getting at the information, and what was the value of them after we got them?" He says rates have been made that would simply move and build up the traffic. Mr. Scott, of the Pennsylvania Railroad, illustrated the cost difficulty by remarking on page 1323 of the hearings:

I dislike to talk about such a complicated proposition as the fuel on a fast passenger train, for I think if you were to ask 25 experts to come here and give you an opinion you would probably get 25 different opinions in regard to it.

There is a practical unanimity of opinion in the railroad testimony as to the inability to accurately estimate cost. And yet the railroads have seen fit in communications sent to the Members of this House and circulated through the press to attack your committee because we do not agree with them that they are underpaid \$15,000,000. Or is it \$6,000,000 or \$39,000,000? How do they know that they are underpaid when they admit they can not figure the cost?

And yet the railroads will not claim that if the carrying the mails on their roads were discontinued that they would make as much as they do now. The gentleman from Missouri [Mr. LLOYD], who was a member of the joint committee, and whose illuminating questions, to my mind, brought out most clearly the information he sought, and to whom, I believe, the country owes a big debt of gratitude for his able services on the joint committee, cornered Mr. Mack, of the Missouri Pacific,

who had been claiming big losses for his road, with the question:

What do you think would be the effect if your railroad carried no mail? Would its surplus fund be as great at the end of the year, or its earnings as great each year?

To this Mr. Mack answered:

Why, no. We would save, of course, the cost of the special trains and save the terminal costs that are incident to the performance of the mail service, but aside from that, probably, the passenger service and other train service would be the same.

No wonder Mr. LLOYD broke out on page 589 of the hearings:

I want to state right here that my candid judgment is that you can cut out the mail service and every important road in the United States would lose by reason of cutting it out at the present rate of pay.

And Mr. Lorenz, the associate statistician of the Interstate Commerce Commission, added:

There is no question but that Mr. LLOYD is correct. That is to say, there is hardly any contention on the part of the railroads that the mail revenue is not as great as the additional expense caused by the mail service; they are running the passenger trains, anyhow, and the extra cost of carrying the mail cars is certainly not as great as the mail revenue.

While the railroads' net earnings are increased by their mail contracts, they have no valid ground for claiming that they are underpaid until they can produce some statistics to prove that the just share the Government should pay toward the interest on their debts, the dividends on their stock, the salaries of their officers, the expenses of their stations, and so forth, is not now paid by the Government. They own they can not figure the cost. They own that it would be a moneyed loss to them to lose their mail contracts, and yet they are using the public press and the mails in an effort to convince the public that they are grossly underpaid, and that the Post Office Department is not dealing fairly with them. And of these assertions they have no proofs, simply assumptions based on figures in Document No. 105, which they at the same time claim are incorrect.

As Second Assistant Postmaster General Stewart points out, under the present law there are 3,409 different adjusted rates of pay per mile per annum. These rates vary for a ton mile from \$1.49 on a daily average weight of 211 pounds or less to 5.76 cents on 48,000 pounds or more average daily weight. The present law also provides two rates of pay for the same service. It ignores the frequency of the service; that is, the pay to the railroads is the same for an average weight of mail, whether they load it on 1 train or on 10 trains. The greater part of the space used in transporting the mail is for distribution purposes. A railroad post-office car 60 feet in length will carry on the average two and a half tons of mail. About one-tenth of the railroad pay is for space, and yet it is evident that very much more than one-tenth of the car space used is used for distribution purposes. The railroads maintain that if the weight of the mail increases 50 per cent their compensation should increase 50 per cent. Let's see about that. Mr. Scott, of the Pennsylvania lines, testified on page 223:

It costs just as much to haul a ton of car as it does a ton of freight.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. BEAKES. Yes.

Mr. MURDOCK. In this new philosophy of paying by space, which has been adopted by the committee and which is now proposed to the House, what is the explanation why you are paying for a storage car a different rate from what you are paying for a full railway post-office car? For a storage car you pay 20 cents and for a full railway post-office car 21 cents. How are you going to explain that to the man who asks? Why should there be a difference of rates in those two cars?

Mr. BEAKES. The railroad has to take a good deal more care of a railway post-office car than a storage car.

Mr. MURDOCK. We give them terminal and additional charges for that.

Mr. BEAKES. Yes; and also the car has to be a better car. It has to be a car capable of preserving the life of the postal employees in the car, while no postal employees are carried in the storage cars. Often a storage car is not anything more than an ordinary freight car used for that purpose.

Mr. TUTTLE. But that difference would not amount to anything like a cent a mile. The difference in the interest on the investment would be a very slight expense.

Mr. STAFFORD. As I understand, the commission recommended the same rate for both storage and railway post-office cars.

Mr. MURDOCK. But the bill does not.

Mr. STAFFORD. The department does not.

Mr. MURDOCK. And that is the explanation the gentleman has to offer on that score?

Mr. BEAKES. Yes.

The testimony regarding the weight of the empty mail cars shows that they vary from 45 tons to 58 tons. Take the lowest figure and we then have 2½ tons of mail carried in a 45-ton car, or a total weight of 47½ tons. If the mail carried increases 50 per cent, we then have 3¾ tons of mail—a total weight of 48¾ tons. Taking weight as a basis of the cost of hauling, an increase of 50 per cent in the weight of mail would then only increase the weight to be hauled 5 per cent. The unfairness of paying the railroads a half more for what only costs them one-twentieth more is apparent, and the illogical system of railway mail pay as at present determined is clearly shown. Even the railroad witnesses have recognized this. Mr. Anderson, general manager of the Charleston & West Carolina Railroad, on page 205 of the hearings, said:

We are called upon by the Government to furnish facilities that involve the handling to-day of 205 pounds of mail in each direction. We could just as easily handle a thousand and never know the difference; and that is the only way to measure it, by pounds. At the same time, we also know that when we compare 250 pounds of mail with 1,000 pounds of mail, both handled in a car that weighs 40,000 pounds, as the saying is, it does not cut much ice.

Mr. Anderson illustrated clearly the inconsistency of standing for the present weighing system. He says it does not cut any ice whether the mail be 250 pounds or 1,000 pounds—that is, it would not cost his road any more—and in the same breath he says the only way to measure the pay is by pounds. Mr. Wade, of the Erie Railroad, in the illustrations he used to show underpayment at present, proved even more clearly the absolute inequality and injustice of the present system of railway mail pay. He dug out some short routes on his railroad system where mail was carried in apartment cars, and showed that on these sample routes the revenue for carrying the mail varied from 1.25 cents per car mile to 10.81 cents per car mile. All of these routes were clearly unremunerative, but the difference even more clearly demonstrates the folly of taking the weight as a basis for paying for the mails.

The railroads part of the time claim that mail should be treated as freight, as that is what the weight basis leads to, but as the mail is carried on passenger trains they nowhere use the freight figures in attempting to measure the cost. As Mr. Scott, of the Pennsylvania lines, testified:

In the case of the mails, we haul 20.6 tons of dead weight for each ton of mail, while for freight we only haul 1.06 tons of dead weight for each ton of freight.

The difference in the two services is demonstrated. The service is really the same as the passenger service, where space is considered in the making of rates. In Document No. 105 the Post Office Department attempted to figure out the cost by space. That this was the correct method is indicated by the fact that the railroads, while claiming they should be paid by weight, have based all their figuring of cost on a comparison of space used. Even in freight different rates are charged for different articles. Light, bulky freight pays more than heavy freight, because it occupies more space. A buggy set up pays more freight than a buggy crated, because you get fewer of them in a car. But let us leave this question to the testimony of the railroads themselves. Mr. Scott, of the Pennsylvania lines, on page 232 of the hearings, said in reply to a pertinent question:

I do not think that there are any railroads who show in their accounts a direct charge for the mail business or the express business or the passenger business. All we have are the average figures as to the average earnings and cost per passenger or the average earnings and cost per passenger train. In 1898, when Mr. McCrea made his statement, and at every other time that we have attempted to secure the information, we have tried to do so by finding out what proportion of the space occupied on passenger trains was occupied by mail, passengers, and express, and that is all we have in regard to the cost.

This bill which your committee has reported favorably pays the railroads for the space occupied. The reason that the railroads are opposing the bill was brought out by the following dialogue between Mr. Lloyd and Mr. Scott, on page 233 of the hearings:

Mr. LLOYD. * * * Take a passenger coach, a mail coach, and an express coach; in order to determine how much the mail should pay, you ascertain the space that is used for mail, the space that is used for passengers, and the space that is used for express.

Mr. SCOTT. Almost invariably; but some roads divide it on the basis of earnings.

Mr. LLOYD. Then, why would you say that the same basis is not the proper method of determining what your compensation should be?

Mr. SCOTT. Mr. Lloyd, I do not know anything about the space basis; that is, I do not know anything about where it is going to lead us. If we could agree with the Postmaster General upon the percentages and upon a division of the expenses between passenger and freight service, I do not know but that this might work out very satisfactorily to the railroads.

Mr. LLOYD. Is not this true: The thing that has alarmed the railroads is the statement made by the Postmaster General that the space basis would result in a saving of \$9,000,000?

Mr. SCOTT. Why, undoubtedly.

Mr. LLOYD. If that is true, you people would naturally be opposed to it, because it would cut down your pay?

Mr. SCOTT. Undoubtedly.

Mr. LLOYD. Forgetting all about that, for the sake of argument, is it not true that, after all, every one of us must necessarily come back to the space basis to determine what should be the compensation?

Mr. SCOTT. I do not know any other way to do it.

Mr. Mack, of the Missouri Pacific, on page 1397, answered the question—

What is the method by which you arrive at a determination that you are \$15,000,000 underpaid?

By saying:

On the comparison of space occupied.

And in reply to the further question—

Your contention is that the mail payment should be based upon and commensurate with the passenger returns—a revenue basis entirely?

He said:

Yes, sir; on the ground that the passenger rates are either approved by the Interstate Commerce Commission as to interstate rates, and are approved or fixed as intrastate rates by the State railroad commissions or State laws.

Mr. Bowman, a public accountant of high standing, employed by the New York, New Haven & Hartford Railroad to find out for them what it was costing them to carry the mails, in his testimony most strongly indorsed the position of the Post Office Department. He would eliminate weight entirely from the consideration of mail compensation to the railroads, because it introduces factors that are impossible of determination. He would have the pay based on the space used. That is the opinion of the joint committee of the Senate and House who investigated the subject. That is the opinion of the Post Office Department, both of this and the last administrations. That is the opinion of your Committee on the Post Office and Post Roads. And that must be the opinion of nearly every man who really studies the question.

Having arrived at the opinion that the railroads should be paid for the space used, the question then arises as to what the rate of compensation for space should be. If the railroads can not figure the cost accurately, how can we be expected to do so? Second Assistant Postmaster General Stewart thinks the railroads at present are overpaid. Mr. Lorenz, associate statistician of the Interstate Commerce Commission, thinks they are slightly underpaid. The joint committee seems to

have relied upon Mr. Lorenz's judgment in this, but in spite of this fact they did not follow his recommendations, but your committee in finally fixing the figures in this bill did seek to follow his recommendations. The figures given are slightly higher than originally recommended by the Post Office Department, but I believe are the figures finally agreed upon by them as giving the roads ample compensation. If the railroads do not know the cost of their passenger trains, they do know their receipts per mile for each car, and the Interstate Commerce Commission has determined the revenue derived for passenger trains for each car per mile of travel. At the time the bill was framed this determination was 25.4 cents per car mile. Since then the latest year has been figured up and shows a revenue of 24.9 cents per car mile.

The main expense to the roads of transporting the mail is the hauling of the cars. But there are certain additional expenses, such as loading the mails, switching the cars and standing room for the cars at the terminals, cleaning the cars, and so forth. These are all expenses at the terminals. So that merely to make a flat rate per mile would inure to the benefit of the very long hauls and against the roads with the short hauls. Therefore to be fair to all the roads these terminal charges in the Moon bill have been separated from the line charges. For instance, under this bill a railroad carrying a 60-foot railway postal car will receive 21 cents for each mile the car travels and \$4 terminal charges for each trip. Instead of a large number of different sizes of space which may be authorized, the bill cuts down the sizes which may be called for to three—the 60-foot railway postal car, the 30-foot apartment car, and the 15-foot apartment car. The closed-pouch mail where no mail clerk is used will be carried as at present. When figured out the rate of compensation allowed by this bill is 22.96 cents, or practically 23 cents per car mile.

The following table will show clearly the gradual evolution of the rates of pay which finally culminated in the rates fixed in the Moon bill, together with the cost of each of the proposed rates to the Government. It shows the rates as fixed in the Post Office Department recommendations, the rates as recommended to the Post Office and Post Roads Committee by the joint committee of the House and Senate, and the rates as fixed in the Moon bill as recommended by the committee, and how each of these rates figure out:

Line cost.

Service.	Car miles.	Post Office Department.		Joint committee.		The Moon bill.	
		Rate per car mile.	Annual pay.	Rate per car mile.	Annual pay.	Rate per car mile.	Annual pay.
		Cents.		Cents.		Cents.	
Railway post office, 60-foot	103,295,263	20	\$20,659,053	21	\$21,692,035	21	\$21,692,035
Apartment, 30-foot	165,695,623	10	16,569,563	11	18,226,513	10.5	17,393,011
Apartment, 15-foot	75,226,521	5	3,761,323	6	4,513,531	5.5	4,137,153
Storage cars	51,417,527	18	9,255,155	21	10,797,683	20	10,283,533
Total line pay			50,245,097		55,229,793		53,511,033

Terminal cost.

Service.	Trips one way.	Post Office Department.		Joint committee.		The Moon bill.	
		Rate one way.	Annual pay.	Rate one way.	Annual pay.	Rate one way.	Annual pay.
Railway post-office cars	343,830	\$4.00	\$1,375,320	\$4.25	\$1,461,277	\$4.00	\$1,375,320
Apartment, 30-foot	866,022	2.00	1,732,044	2.75	2,381,060	2.00	1,732,044
Apartment, 15-foot	935,234	1.00	935,234	2.00	1,870,468	1.00	935,234
Storage cars	99,563	5.00	497,815	4.25	423,270	4.00	398,372
Total terminal pay			4,600,563		6,219,075		4,500,970
Closed-pouch service			2,230,796		4,581,000		2,230,796
Total railway mail pay (262,367,234 car miles)			57,076,456		66,029,870		60,242,775
Rate per car mile2175		.252		.2296
Periodical matter by freight			703,904		703,904		703,904
Weighting and ascertainment			50,000		50,000		50,000
Side and terminal service			2,118,826		2,118,820		2,118,820
Less land-grant deduction			59,949,180		68,902,594		60,996,679
			1,171,136		1,171,136		1,171,136
Add 4 per cent for year 1915			58,778,044		67,731,458		59,823,513
			2,331,121		2,709,238		2,363,022
Mail pay for 1915			61,129,165		70,440,716		62,218,565

The appropriations for the year 1915 as passed by the House under the old system was \$56,188,000 for railroad transportation and \$5,421,000 for rental of cars, a total of \$61,609,000. The department's recommendation was about \$550,000 less under the space system. The joint committee's recommendations would give the railroads \$8,840,000 additional and the Moon bill would give them \$618,000 additional. It would save, however, the expenditure of \$400,000 for weighing one-quarter of the mail of the country and thus really would cost the Government only about \$200,000 more, while correcting the inequalities in the pay to the various railroads.

There are several reasons why it seems to me that the rates named in the Moon bill should be adopted. They yield the railroads approximately what they get now, while altering the system of payment to a more equitable basis. As I think I have shown, there are no figures available to figure out the cost. While the Post Office Department thinks the railroads are paid too much, Mr. Lorenz, the associate statistician of the Interstate Commerce Commission, thinks they are paid too little. Neither can be sure of their position, and Mr. Lorenz says, on page 620 of the hearings:

The existing mail revenue for the roads as a whole is, on the one hand, profitable traffic for the railroads in the sense that it more than pays the actual out-of-pocket expenses occasioned by the mail service directly or indirectly, but, on the other hand, the mail service does not pay its full proportionate share of taxes and interest charges. In other words, no crying injustice would be done to the railroads or to the Post Office Department if no radical change is made in the existing level of pay for the next three or four years, by which time it is to be hoped that the accounting practices of the railroads generally will be sufficiently developed to permit of a reasonably definite determination of the relative cost of various branches of the railroad service.

To give the railroads an increase in pay which they can not show they are entitled to would seem unjust, just as it would be unjust to reduce their pay until we are sure that they are overpaid. While costs can not be figured it has been shown that the car-mile revenue of all the cars on the passenger trains is 24.9 cents. The railroads who are loudly claiming that their freight rates are too low must make a reasonable profit at least on their passenger traffic. So we know that 24.9 cents is high enough for a passenger-car mile. I think it will be granted that the mail does not cost the railroads quite as much as the passenger traffic. The roads do not have to advertise for it; they do not have to build expensive stations and platforms for it; they do not have to have ticket agents and employ an expensive accounting system; they do not have to have so many trainmen for the mails; and there are many things they have to do for the comfort of the passengers which they do not have to do for the mails. Mr. Lorenz says that the expense is not exceeding 10 per cent less. The rates in the Moon bill figure out 7½ per cent less than the passenger-car-mile revenue, so that the committee has met the suggestion of the statistician on whom the joint committee placed so much reliance. Their rates are too high as they figure out even higher than the passenger revenue.

The rate fixed in the Moon bill is at least as high as the railroads receive from the express companies, with whom they have made voluntary contracts. Some of the companies have acknowledged that they got more out of mail than express. My time will not permit my going into an extensive argument on express rates, but the conclusion I arrived at from my study was that the express rate is lower than what the railroads now receive from the mails, but the railroads clearly do not know what the express is costing them.

The Canadian Government last winter raised the pay of the railroads for carrying the mails in Canada, and at the same time adopted the space basis for paying for the mails. But their rates are clearly below cost, if the mails are expected to pay their just share of overhead expenses and fixed charges as do the passenger, freight, and express traffic. When the railroads complain of the rates in the Moon bill, they should know that while they will get 21 cents per car mile for a railway postal car, the Canadian railroads will get only 16 cents; and for a 30-foot apartment car, the American roads will get 10½ cents a car mile, while the Canadian roads get only 9 cents. And in addition, the American roads will get terminal charges, while the Canadian roads do not get this at all. It will be noticed that the Post Office Department and the joint committee recommended relieving the railroads entirely of what they call the side and terminal service, but it was estimated that it would cost the Government over \$2,000,000 to do this work, while the railroad testimony indicated that it did not cost them but \$500,000. So in the Moon bill this service is left with the railroads, thus enabling the Moon bill to provide for the payment of \$2,000,000 more than recommended by the Post Office Department to the railroads for services which they estimate will cost

them \$500,000, without extra cost to the Government. But there are individual cases where this side and terminal services cost the railroads more than they get, so that the Moon bill provides that in his discretion the Postmaster General may relieve the railroads of this service.

You may ask why the railroads should oppose this bill. Some of them are getting an undue advantage over others in the distribution of pay now—are getting more than their share of it. But the main reason is that an increase in the weight of the mails is anticipated in the future, and the railroads figure that an increase of one-half would give them 50 per cent more pay on the weight basis, while, as I have illustrated, if no more space was used, they would only haul a car and load weighing 48½ tons instead of a car and load weighing 47½ tons. This bill, while going to a basis on which costs can be figured, will mean a big saving to the Government in the future in the cost of carrying the mails, while assuring the railroads of a reasonable, fair, and just compensation.

For over 20 years efforts have been made to go to a space basis for transportation of the mails. Commission after commission has worked on the problem. Committee after committee has discussed it. It remains for the Sixty-third Congress, the greatest constructive Congress of the century, to complete the work. This bill will equalize the distribution of the mail pay among the transportation companies. It will enable future committees and future Congresses to know whether or not the compensation is reasonable and just. It will put a stop to much of the friction between the department and the railroads. It will greatly simplify the keeping of the railroad accounts. It will put a stop to claims of underpayment between weighing periods, and if the mails double in weight, it will not compel the Government to double the compensation to the railroads to haul one-tenth more weight. As fast as the mails increase to require more space the railroads will get their compensation. I feel confident that this bill will appeal to your better judgment and that for the first time the Government is about to put its compensation for mail transportation upon a scientific basis. [Applause.]

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. SLOAN].

Mr. SLOAN. Mr. Chairman, a Senate amendment to the Post Office appropriation bill, afterwards approved by conference and adopted by the House, was as follows:

Provided, That on and after July 1, 1914, letter carriers of the Rural Delivery Service shall receive a salary not exceeding \$1,200 per annum.

There was no extended debate on this amendment either in the Senate or the House, but there had been extended debate on a similar proposition when the bill was before the House originally, and the purpose of that amendment was to give a flat increase to the rural free delivery carriers.

However, the purpose of both House and Senate seemed to be clear from the fact that the amount appropriated for rural carriers by the House, without any increase, was \$48,650,000, whereas when the Senate adopted the amendment it increased the appropriation for rural carriers \$4,350,000, making a total of \$53,000,000.

As the number of rural carriers in the United States for the fiscal year of 1914 was 43,535, it will be readily seen that the appropriation called for a round number equal to the increase of each carrier's salary, \$100. This appropriation for the year was not made for the purpose of having a large unexpended balance, but was made to be expended for the purpose stated in the amendment.

Further, so far as inquiry could develop, it was understood by the membership of this House and the Senate that a flat increase of \$100 should be given to the carriers on all standard routes and a corresponding increase to those of shorter routes.

The Postmaster General has placed an entirely different construction upon the law, and, following that construction, has made a graduated scale of salaries based upon mileage, number of packages, and weight. This is not only a violation of the spirit and purpose of the act, but I believe it is a violation of a well-settled policy of the Government. It has long been the policy of the Government that where the Post Office Department is used to compete with private enterprise there should not be given extraordinary inducements to the Government employees to go out of their way to obtain business in competition with private enterprise.

The schedule which follows certainly is designed to make a Government business drummer out of every rural carrier:

[Order No. 8246.]

POST OFFICE DEPARTMENT,
Washington, July 14, 1914.

On and after July 1, 1914, the compensation of rural carriers shall be based upon the length of routes and the number of pieces and the weight of mail carried as shown by the records of the department, and

their rates of pay shall be computed on and fixed according to the following schedule:

Schedule.

Length of route.	Salary base.	Pieces of mail per month.	Pounds of mail per month.
4 miles and less than 6 miles.....	\$480	3,000	400
6 miles and less than 8 miles.....	528	3,700	490
8 miles and less than 10 miles.....	576	4,400	580
10 miles and less than 12 miles.....	624	5,100	670
12 miles and less than 14 miles.....	672	5,800	760
14 miles and less than 16 miles.....	720	6,500	850
16 miles and less than 18 miles.....	840	7,200	940
18 miles and less than 20 miles.....	960	7,900	1,030
20 miles and less than 22 miles.....	1,080	8,600	1,120
22 miles and less than 24 miles.....	1,152	9,300	1,210
24 miles and over.....	1,200	10,000	1,300

An increase or decrease of \$12 per annum shall be made for each 1,000 pieces and for each 100 pounds, respectively, greater or less than the schedule, and an allowance of \$12 per annum shall be made for each closed pouch or closed sack of mail carried per day and also for each full mile of route served in excess of 25 miles in length: *Provided*, That no carrier shall be reduced in present compensation because of this order and that \$1,200 per annum shall be the maximum salary.

A carrier serving one triweekly route shall be paid on the basis and subject to the above conditions for a route one-half the length of the route served by him, and a carrier serving two triweekly routes shall be paid on the basis and subject to the above conditions for a route one-half the combined length of the two routes.

The compensation of carriers on newly established routes shall be at the rates in effect June 30, 1914.

A. S. BURLISON.

The inducement presented is to increase the number of packages and increase the amount of weight which he carries. The method of doing so, of course, readily suggests itself to the carrier who desires to swell his salary. The means presented is to swell the number and weight of his mail carrying. I made some calculations concerning the effect of the Postmaster General's order upon the carriers of my district, and I submit them:

There are 239 carriers.

Five are not yet rated.

Of the 234 rated, 9 have routes of less than 24 miles.

Of the 225 standard routes rated, 40 receive no increase.

Of the 225 standard routes rated, 15 receive \$4 increase.

Of the 225 standard routes rated, 18 receive \$6 increase.

Of the 225 standard routes rated, 29 receive \$28 increase.

Of the 225 standard routes rated, 29 receive \$40 increase.

Of the 225 standard routes rated, 16 receive \$50 increase.

Of the 225 standard routes rated, 18 receive \$64 increase.

Of the 225 standard routes rated, 11 receive \$76 increase.

Of the 225 standard routes rated, 1 receives \$80 increase.

Of the 225 standard routes rated, 16 receive \$88 increase.

Of the 225 standard routes rated, 32 receive \$100 increase.

The average salary of these 225 carriers, \$1,145; average increase, \$45. The average length of these 225 routes, 26.17 miles.

If the schedule for my district presents an average throughout the country, then more than one-half of the appropriation for increase of salary would not be used.

The appropriation was fairly made by the Congress. Its purpose was clear to grant the flat \$100 increase to the rural carriers of the United States. The schedule adopted by the Postmaster General is clearly improper, in that it deprives the carriers of that which the Congress voted them to have, and it is an attempt to make the rural carriers business drummers for the United States to interfere with and change the usual and ordinary course of competition in private business. [Applause.]

Mr. MOON. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. Yes.

Mr. MOON. Will the gentleman please state to the committee the amount of money the Government is losing per annum on its rural-letter service?

Mr. SLOAN. I could not state that the Government is losing in the end, in the aggregate, anything by this Rural Free Delivery Service, any more than it is in any other department of the service.

Mr. MOON. I will put my question in another way. The answer involves so many elements and suggestions that I will put it in this way: How much money is the Government receiving now as the revenue from the rural-carrier service, and how much is it paying out for that service?

Mr. SLOAN. I will say frankly to the gentleman that I can not state the exact figures, but if the rural free delivery carriers were bringing nothing to the Government, it would not interfere with the legal force of the proposition which I am presenting.

Mr. MOON. I am not arguing against the gentleman's views along that line. I just wanted to impress the gentleman with the fact of the figures, that when you come down to the cold-blooded cash, we are getting about \$13,000,000 in round

figures from that service, and we are paying for it \$53,000,000, or a dead loss of \$40,000,000 per annum.

Mr. SLOAN. Mr. Chairman, I thank the chairman, and I knew that on a question of figures he was ready to answer his own question, and undoubtedly his statement is true, but I am satisfied that out of the efforts and work of the 43,000 who in sunshine and storm go every week day to the farmers of this country, they start in operation postal business which is a basis for a large portion of the department's revenue.

Mr. MOON. I do not want the gentleman to understand that I am arguing against his proposition at all.

Mr. SLOAN. Oh, no; the gentleman, the chairman, undoubtedly was assisting me. I think we think about my proposition almost the same, but the other gentlemen who are before me, the large crowd of gentlemen on the minority side, and the multitude on the majority side, save and except the chairman, are the ones I want to convince. I know the chairman is with me.

Mr. MOON. Oh yes. The chairman is with you, except on the revenue theory.

Mr. MURDOCK. Well, that is a mighty important concession for the chairman to make, if he would be for the striking out of those words, "not exceeding."

Mr. MOON. We will talk about that later.

Mr. MURDOCK. Will the gentleman yield?

Mr. SLOAN. I will.

Mr. MURDOCK. Is it not also true that those words "not exceeding" have been carried by law from the very beginning, but they have never before been used in this item as they are being used to-day?

Mr. SLOAN. The construction of the Postmaster General is an innovation.

Now, I want to call the attention of the committee to section 13 of this bill, which says:

SEC. 13. That postmasters, assistant postmasters, clerks, or other employees at post offices of the presidential grade, and postmasters at post offices of the fourth class, shall not be allowed or paid any additional compensation for the transaction of postal savings depository business.

In other words, an employee of the Post Office Department is not expected to become a drummer of business on behalf of the Government against the other activities of private enterprise. [Applause.]

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. GILLET].

Mr. GILLET. Mr. Chairman, I wish to discuss section 4 of this act, which provides that assistant postmasters shall be subject to examination. It is sometimes, I think, wise and enlightening in considering legislation and its effect to look upon the motives and the purposes of the men who introduce it and who are pushing it, and it seems to me that is peculiarly pertinent to this paragraph, because we all know that this does not represent the real wishes of the gentleman, the chairman of the committee, who has presented it. This is only an emaculated edition. He showed his real desires last winter when the Post Office appropriation bill was under consideration, when he introduced the proposition that assistant postmasters should be entirely exempt from the civil service and become part of the spoils of office. That is what he wanted, and in urging that he made these comments:

That is what I call a Democratic section of this bill. [Applause on the Democratic side.]

If the power were mine I would put none but Democrats on guard. [Applause on the Democratic side.]

I want to say that, so far as the postmasters and their assistants are concerned, I would have the party in power to name them and to take the responsibility. You can not administer this Government in accordance with the principles and policies of the Democratic Party as decreed by the people at the polls a year and a half ago unless you have Democrats to aid in this administration. [Applause on the Democratic side.]

That is what the gentleman really desired, and that is what that side of the House really purposed; but they were unsuccessful in carrying through that legislation because, it is reported, the Postmaster General, who openly declared himself opposed to it, went to the President, and the influence of the President, which we have so often seen effectual in this House, was put to work, and the Committee on Rules would not make that proposition in order. It makes us regret all the more that the same influence was not exerted against other raids upon the civil service which this Congress has carried through, but I am happy to say that particular legislation was prevented.

And now comes in this section which attempts to accomplish what they can in that same direction. And they are following a precedent. This section follows exactly the line which was followed in the case of fourth-class postmasters. You remember that last year, when this Congress first came into active being, on that side of the House there was a tremendous agita-

tion and enthusiasm to exempt the fourth-class postmasters from the civil service and make them patronage appointments once more, and such an amendment was introduced. And its sponsor, Mr. BARTLETT, remarked, in advocating it:

I know that there is no office, in my judgment, under a Democratic administration that could not be better filled by a Democrat than by a Republican. If you can call that the spoils system, you are welcome to so denominate it.

Then it was suggested, by the administration I suppose, that there should be done to fourth-class postmasters exactly what is now proposed for assistant postmasters—that all those in office should be subjected to a competitive examination. That device, apparently so harmless and fair, at once satisfied the seekers for patronage. They obviously expected to obtain under it the spoils they hungered for. The proposition to exempt them from the civil service was dropped, and they have been content under the new regulations. So, not now being able against the Postmaster General's influence to accomplish directly what they desire, and exempt the assistant postmasters from the civil service, they are following the precedent of the fourth-class postmasters and are using this subterfuge to remove from office those whose places they want.

This section, either intentionally or accidentally, if it becomes law, would place assistant postmasters in a class all by themselves as regards the civil-service act. The section provides that the Postmaster General "shall, under such law, rules, and regulations, appoint all assistant postmasters." The "such law, rules, and regulations" must mean the present existing laws, rules, and regulations, so that in the future all assistant postmasters must be appointed according to the present existing rules. Those rules are likely to be changed at any time. Each President has the power to change them, and many successive Presidents have exercised that power and probably will in the future, so that the status of all other civil-service employees will depend upon the rules and regulations existing at the time. But if this section should take effect, assistant postmasters would always be subject to the rules and regulations now existing, no matter how desirable it might be that they should be affected by any changes to those rules which Presidents hereafter may make. Moreover, this legislation is entirely superfluous if the Democratic majority have confidence in their own President and Postmaster General. The President can order the changes which they incorporate into this section at any time he desires. He has absolute power to require examinations or to exempt from examinations, so that in passing this legislation they are diminishing or abolishing one of the rights of their own President.

There are peculiar reasons why the assistant postmasters should be under civil service, why they should be a permanent force, and, if efficient, secure in their positions. One reason is that when they were covered into the civil service it was under a different regulation from what was applied to any other body of men. When the assistant postmasters were covered in, recognizing how important it was to the administration of the greatest business which the United States carries on that the assistant postmasters should be efficient, there was put in the order covering them the condition that only those should be classified who would prove to the Postmaster General that they had shown capacity for efficiently conducting their office. So that everybody was not covered in, as in all the other cases, but only efficient ones were covered in. But, regardless of that, the attempt is now being made to put them entirely on the level of all the others, although only those who were efficient were covered into the service. And there is another reason why assistant postmasters should be permanent, and not be subject to the political changes of every four years. It is a wonder to me that the Post Office Department, an enormous business, can be conducted as well as it is under our present system, with a change, perhaps, every four years of the head of the department and thousands of his lieutenants. Of course there is nothing to compare it with, so we do not know how much money is wasted and how much cheaper its business might be done. Certainly no business in the United States in competition with other business could be carried on in such a way, by having a new man put in as its head every four years. I have great admiration for our present Postmaster General. I think he is a man of great ability, wisdom, and patriotism. He devotes himself most assiduously to the work of his vast department. But, although I have great admiration and confidence in him, yet I can but think that it is a very faulty practice and unscientific system which should commit an enormous business institution like our Post Office Department into the charge of a southern planter with no business experience. Not only does our extravagant system do that, but in addition his lieutenants all over the country—the postmasters who have charge of the different

offices—are all changed and new men are going in who have no training in that line; so that every four years we have new men put in at the head and new men put in as lieutenants, and now comes this proposition to try to remove and make political footballs of the assistant postmasters, who are men of experience and training, and who, I think, ought permanently to stay there.

Mr. CLINE. Will the gentleman yield for a question?

Mr. GILLET. Yes.

Mr. CLINE. Inasmuch as the gentleman is a very ardent civil-service reformer—

Mr. GILLET. I have not much time. Please hasten.

Mr. CLINE (continuing). I would like to ask if he would be in favor of covering the first and second class postmasters, say, about the close of this administration?

Mr. GILLET. I would. I accept that challenge. I would be very glad to have the first and second class postmasters at the end of this administration, all Democrats, covered in, and then those who are inefficient could be weeded out. I do not care much whether the postmasters or assistant postmasters or clerks in our departments are Republican or Democrat. I believe what we need particularly in the Post Office Department is efficient men; and I would like to have the whole service covered in and made permanent and have them only discharged and changed when they are inefficient.

Mr. FOWLER. Will the gentleman yield?

Mr. GILLET. I can not yield now. If I have time before I close, I will yield.

Now, as to these assistants, it was somewhat illuminating in the debate before on the post-office bill to listen to a question that was asked Mr. RUCKER by Mr. COOPER:

Mr. COOPER. Is it not true that under the policy or practice suggested by the question of the gentleman from Missouri [Mr. RUCKER] assistant postmasters were appointed in this way: The Member of Congress wanted it understood that if John Smith was appointed postmaster it was done upon the express condition that John Brown should be the assistant postmaster, and that in many cases the postmaster had to agree to that before he could get the appointment, and in that way the Congressman fixed up a part of his own machine.

Mr. RUCKER. That is exactly what I would do in every case, and I have no apology for it.

So that obviously was the purpose then, and the same men, motives, and purposes are behind this section to make not only the postmasters but the assistant postmasters part of the political machine of the Congressman. I object to that; and I object to doing it either directly, as was attempted at first, or indirectly, as now attempted. It is of course in line with the conduct of that side of the House throughout this Congress. We saw it in the tariff bill, we saw it in the urgent deficiency bill when they excepted the marshals and revenue collectors, we have seen it just lately, and strikingly, in the Reserve Board. If there was any body of men which ought to be exempted from partisanship, it was the body which was to have control of the financial system of the whole country. And yet when the Reserve Board was created, by the law all their subordinates were made exempt from the civil service in order to give Democrats offices. And when the names of the Reserve Board were sent into the Senate everyone was a member of the party in power. So that even there the partisanship which has characterized this Congress from the beginning until now was evident, and this is but another following step in the consistent purpose of this Congress from the beginning.

I appreciate that opposition from this side of the House can not be effective; and as I see the chairman of the Committee on Appropriations, I am reminded of some kind remarks which he made last winter, showing how ineffective anything we could do is, and that all that is left us is to criticize. Mr. FITZGERALD remarked:

Mr. Chairman, nobody expects the appeals made by Republicans in this House to have any effect on legislation. Their position in this House is not to regulate and control legislation. If they wish to understand what the country meant, it was that they should sit quietly by and learn how a great political party, when it comes into power, can carry out the pledges it makes to the people.

Mr. FITZGERALD. Will the gentleman yield?

Mr. GILLET. Yes.

Mr. FITZGERALD. Did I not say something about the overwhelming defeat the Republicans got which disqualified them in the opinion of the country from control?

Mr. GILLET. Possibly, I did not quote all you said. I quoted what was sufficient for present purposes.

Mr. FITZGERALD. What the gentleman quoted was very good, but the other part improved it.

Mr. GILLET. We might differ about that. But, as I say, all that we can do is to sit by and criticize. But when the gentleman talks in that boastful way about the Democratic Party keeping its pledges, it seems to me he must have been facetious there.

One of the pledges of their platform was that they would maintain the civil service, and from the beginning of the following Congress until now step after step have they taken in flagrant violation of that pledge. Of course, that is only one of the numerous pledges they have broken.

Mr. FITZGERALD. Mr. Chairman, will the gentleman yield?

Mr. GILLETT. Not just now.

Mr. FITZGERALD. Just for a question.

Mr. GILLETT. Yes; I will yield to the gentleman. How much time have I, Mr. Chairman?

The CHAIRMAN. The Chair is unable to advise the gentleman.

Mr. GILLETT. Well, I yield.

Mr. FITZGERALD. I want to ask the gentleman if he believes that a provision to the effect that men who have been covered into the classified service by Executive order should be required to take an examination to demonstrate their fitness is a violation of the civil-service law, or the principle of it?

Mr. GILLETT. If the gentleman had been here when I began to speak he would have known that I covered that. He will be able to read it in the RECORD.

Mr. FITZGERALD. I do not wonder that the gentleman declines to answer that twice.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. MOON. Mr. Chairman, I yield to the gentleman from Connecticut [Mr. REILLY].

Mr. REILLY of Connecticut. Mr. Chairman, I am in favor of this bill. It has chiefly to do with the matter of railway mail pay. In that regard the proposed bill is a big improvement upon the present law, in that it substitutes a definite businesslike basis of payment for a haphazard and indefinite one.

Regarding the section of the bill that has to do with the appointment of assistant postmasters, it can not be fairly called a blow at the civil service. The civil service primarily implies an examination, and that is all this bill does. It makes assistant postmasters who were covered into the classified service by Executive order take an examination the same as others in the service. So far as I am concerned, I am ready to vote for a bill that will take all employees out of the civil service whose superior officer is bonded, because I believe the man who gives bond for the faithful performance of duty by a subordinate should have the appointment of that subordinate. As it is now the assistant postmaster in the majority of cases is a political opponent of the postmaster, and may be his personal enemy. No one thinks that is fair in any degree. The proposed law gives the present assistant postmasters a chance to retain their jobs. It is not prejudicial to the civil service, but if it were I would still favor it for the reasons I have stated.

In relation to the railway mail pay, there can be great improvement made; not only in regard to pay made to the railroads for carrying the mail, but in the entire matter of transportation there can be, and I predict there will be, great changes and improvement made. These changes will not only be made in the matter of railway transportation of mail, but the transportation by water. In this connection I desire to submit the views of Mr. James L. Cowles, president of the World Postal League, on the matter of ocean postal transports as most interesting and timely:

Shall the Panama Canal be used for the enrichment of a few private speculators or for the common benefit?

The railways, trolley lines, auto and air lines, steamboat and steamship lines, telegraph and telephone lines of our modern world are its circulating and nervous system.

Upon the construction, maintenance, and operation, and upon the taxes levied for the use of this life-determining mechanism, more than upon anything else, does the general economic, as well as the social and political development of modern humanity depend.

Left in the control of private speculators determining the rates for its use upon the value of the service rendered, it will become a public curse, as was the case with the Cursus Publicus, the transport service of Imperial Rome.

On the other hand, managed by our public servant, with rates for its use determined on the cost of the service rendered, or, it may be, run absolutely free and supported by the taxation of the districts which it serves and to which it gives practically all their commercial value, every step in its improvement will be in line of the common advancement with the result that in the course of time this old warring earth of ours may be reasonably expected to become a bit of heaven—a home in which every human being shall find delight in the service of the other.

Competition between the different parts of this great mechanism is as absurd, as wasteful, and as harmful as competition would be between the arteries, veins, and nerves of the human body.

In recent years Congress, State legislatures, cities, and towns have expended hundreds of millions of dollars of the hard earnings of our common people in railway, trolley, river, and harbor improvements, which, under the control of our great circulating and nervous system by private speculators, have actually resulted in increased rates of transportation, increased cost of living, and lessened opportunities for getting a living.

Notwithstanding the scores of millions of dollars spent for the improvement of navigation upon the Great Lakes, the rail, lake-and-rail rate on flour and mill stuffs—from Minneapolis to New York City—is 3 cents a hundred pounds higher than it was 15 years ago, 23 cents to-day as against 20 in 1899. And the same thing is true as to ocean transportation. The Merchant Marine and Fisheries Committee of the Sixty-third Congress inform us that since 1910 the speculators controlling trans-Atlantic trade have increased their rates—in some cases over 100 per cent—in spite of the fact that during the intervening years the public on both sides of the Atlantic have expended immense sums for their harbor improvements.

Manifestly, the Government must take possession of the transportation and transmission machinery, for the use of which these other expenditures are made, and must extend, develop, and operate the entire business in the common interest.

OCEAN POSTAL TRANSPORTS.

In this connection it is interesting to note that on the 1st of April last—at the instance of Senators WEEK and LODGE, of Massachusetts—the United States Senate passed Senate resolution 317, suggesting the transformation of our warships into postal transports and requesting the judgment of the Secretary of the Navy as to the use of naval cruisers and transports in the inauguration of a line of ships for the carriage of mails, passengers, and merchandise between the United States and South America.

On the 11th of April Secretary Daniels replied that the Navy Department sees in the plan an opportunity at once for developing a large trade with South America, which is not practicable for private vessels under the United States flag, and for the development of an auxiliary fleet which would be necessary in times of war and would pay for itself in times of peace.

And on the 14th of April the department bill—S. 5259—providing for the proposed fleet—17 vessels—and asking for its inauguration and support, only \$100,000 in addition to what might accrue from its service was presented to the Senate and referred to the Senate Committee on Naval Affairs.

We cordially sympathize with every movement looking toward the establishment of a system of American ocean postal transports, like the Panama Canal, our common pride, our common property, run in the common interest of all the world, and manned by officers and seamen well paid, well cared for, our common choice; but we submit that the inauguration of such a service requires something more than a fleet of 7 war cruisers of an average capacity of only 20 male passengers and 150 tons of postal matter, 4 inferior passenger and freight steamers carrying an average of 74 first-class and 32 steerage passengers of both sexes and 11,000 tons of freight, and 6 colliers carrying no passengers and on an average only 6,000 tons of freight.

We have spent \$400,000,000 on the Panama Canal. Its devotion to the common use by the United States of America must surely be celebrated by the establishment of an American fleet of ocean postal transports that will make our flag the chief exponent of peace on earth, good will among the nations, a fleet made up of modern ships especially fitted for ocean postal traffic—the transport of persons and of produce; a fleet at once so commanding and run at cost of the service rates so low as to dominate the entire business.

The Sixty-third Congress has appropriated over \$15,000,000 to the construction of two battleships. Verily, nothing less will suffice for the purchase or construction of an American ocean postal fleet that will meet the demands of the hour. These other facts are also to be noted:

First. The cost of construction, maintenance, and operation of all public transport agencies is always paid by the public, whether the business be managed by private speculators for the exploitation of the public or by Government for the public service.

Second. The only practical method for securing to the American public their share of the benefits accruing from the expenditure of the hundreds of millions of dollars of their labor invested in the Panama Canal and in the improvement of their ocean harbors, lighthouse services, etc., is through the ownership and operation of a large part, if not of all, the American ships engaged in the coastwise and foreign trade of the United States.

Third. Legislation has been enacted practically forcing the railroads to sell their ocean steamers and denying the use of the Panama Canal to all vessels in which the railroads have an interest; and this being the case, it seems only just that the Government should take over their ocean lines at a fair valuation.

One of the greatest obstacles to the extension of the foreign trade of the world to-day is the enormous and often discriminating taxation levied by private transport speculators upon the world's business.

The private speculators now controlling the world's ocean traffic tax our Government for the transport of our mails across the Atlantic by steamers not under contract—United States register—letters (sealed parcels), 80 cents a pound, \$1,800 a ton; on other mail matter (unsealed parcels), 8 cents a pound, \$160 a ton. Foreign register: Letters, 35 cents a pound, \$700 a ton; other matter, 4½ cents a pound, or \$90 a ton. The cost to the steamships is the same in either case.

Under its mail contract, New York to Southampton, \$4 a mile, regardless of the mail handled, the International Mercantile Marine Co. levies a tax of over 15 cents a pound, over \$300 a ton, on all the mail carried. Similar taxes are levied upon our Government in all our ocean mail traffic, and yet the express companies doing business between New York and London serve their large patrons at less than \$20 a ton. With Government-owned ships the business might well be done for less than \$10 a ton.

A weekly naval mail line of well-equipped fast steamers, the best of their kind upon the ocean, run by officers and men of the American Navy between New York and San Francisco, at rates determined not on what might be exacted from the public, but on the cost of the service rendered the public, would be an object lesson as to the possibilities of a Government-owned merchant marine that would astound the world. The establishment of similar lines owned and operated by this country and Great Britain or Germany, and other lines jointly owned and operated by this country and the States of South America, would be great steps toward the advancement of the world's peace and the world's prosperity.

The United States of the world, with all legal barriers to intercourse between the different States abolished, and all physical barriers overcome by a world postal service covering the entire business of public transportation and transmission—"the parliament of man, the federation of the world," the dream of the poet Tennyson in 1842, is to-day a near-by reality.

Inaugurated in 1874 by Dr. Stephan's establishment of an international 5-cent half-ounce (soon to be 2 cents an ounce) letter post, it

remains for us in 1914 to so extend this great service that within a few brief years the weakest hand, the most timid voice, may reach to the ends of the earth and command its richest treasures.

The advantages to follow the abolition of the legal barriers to intercourse between the nations have been conclusively proved by our own history—the absolute freedom of intercourse between our different States guaranteed by our Federal Constitution having made our prosperity possible.

The benefits that would accrue from a world-wide system of door-to-door, low uniform postal tolls (the ideal condition of things would be a postal service absolutely free and supported by the taxation of the districts which the machinery serves and to which it gives their commercial value) have been clearly demonstrated in our 50-year-old flat-rate letter post, our 29-year-old flat-rate cent-a-pound magazine and newspaper post, and in the flat-rate commodity service of our continental railroad traffic, as also in our flat-rate passenger city trolley service.

In opening the Panama Canal to the outside world on the same terms as to ourselves, we have shown a generous spirit that is to win us friends everywhere.

The enactment into law of Senator WELLS'S bill—S. 5250—so amended as to provide us with an experimental naval mail service, made up of the very best steamers that float the seas, however small the fleet, would mark the end of the old war era and the beginning of the time when the postman is to supersede the warman (the soldier), the postal car the field cannon, the postal transport the man-of-war.

Verily, the opening of the Panama Canal must be accompanied by the establishment of an American naval mail service, worthy of the people that have given this canal to the world.

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield five minutes to the gentleman from California [Mr. KAHN].

The CHAIRMAN. The gentleman from California [Mr. KAHN] is recognized for five minutes.

Mr. KAHN. Mr. Chairman, I fully concur in the position just taken by the gentleman from Massachusetts [Mr. GILLET]. The Democratic platform of 1912, speaking of the civil service, says:

The law pertaining to the civil service should be honestly and rightly enforced, to the end that merit and ability shall be the standard of appointment and promotion rather than service rendered to a political party.

We can all agree to that, because it is good doctrine. But, as the gentleman from Massachusetts [Mr. GILLET] pointed out, the majority side of this House has been trying constantly to break down the civil service of this country, notwithstanding their professions on this subject. In doing that you on the Democratic side are only sowing dragon's teeth. Men will spring up to plague you. For every office you take out of the classified service you will have a dozen or more applicants. You will not be able to satisfy them all, and you will be hoist by your own petard.

But by legislation of this character you emphasize your insincerity. Take the Democratic platform adopted at Baltimore and read the concluding paragraph. It says:

Our platform is one of principles which we believe to be essential to our national welfare. Our pledges are made to be kept when in office as well as relied upon during the campaign.

It seems to me that almost every important plank in the Democratic national platform has been destroyed by the majority side of this House. There are a dozen planks at the least that have been violated. The last paragraph, which I have just quoted, means nothing to you on the Democratic side. It was put forth as "molasses—to catch flies."

Mr. COX. It caught them. [Laughter.]

Mr. KAHN. Yes; it caught them, but you will never catch them again. The people of the United States realize your insincerity, and you will meet the fate you deserve this coming November. [Applause on the Republican side.]

Mr. Chairman, I yield back the balance of my time.

Mr. SAMUEL W. SMITH. Mr. Chairman, how much time have I left?

The CHAIRMAN. The gentleman from California [Mr. KAHN] used only two minutes.

Mr. SAMUEL W. SMITH. How much time have I left altogether?

The CHAIRMAN. Seventeen minutes.

Mr. FINLEY. Mr. Chairman, I would like to ask the gentleman from Michigan [Mr. SAMUEL W. SMITH] if he desires to use the remainder of his time?

Mr. SAMUEL W. SMITH. I think not.

Mr. FINLEY. Then, as I understand, the gentleman from Michigan has closed?

Mr. SAMUEL W. SMITH. Yes.

Mr. FINLEY. Mr. Chairman, how much time has the majority side?

The CHAIRMAN. Fifty-five minutes.

Mr. FINLEY. Fifty-five minutes?

Mr. SAMUEL W. SMITH. That is a mistake, Mr. Chairman. They have not 55 minutes left, have they?

The CHAIRMAN. The Chair understands that the majority side has 55 minutes.

Mr. SAMUEL W. SMITH. Let me call the attention of the Chair to the fact that when we began with the gentleman from Michigan [Mr. BEAKES] each side had 55 minutes. Mr. BEAKES had 10 minutes yielded to him from that side, and I yielded him 10 minutes.

The CHAIRMAN. The present occupant of the chair was not advised as to that.

Mr. FINLEY. I think this side has 45 minutes.

The CHAIRMAN. Very well. The gentleman from South Carolina [Mr. FINLEY] is recognized for 45 minutes.

Mr. FINLEY. Mr. Chairman, in the discussion of a great question like this it seems that it is quite impossible to steer clear of politics, notwithstanding the fact that it is a business proposition, pure and simple. The Postal Service of the United States is the greatest single business proposition in all the world, amounting in expenditures for the present year around \$311,000,000, and in financial operations from first to last amounting to around \$3,000,000,000 annually. So I was tempted to hope that in the discussion of the questions involved in considering the bill we might not have the Democratic Party or the Republican Party bring in the question of partisan politics.

For 12 years I have been a member of this committee and have given to its work the best service that I know how to render, not from a party standpoint alone, but from the standpoint of what is best for all the people of the United States; and the bill before the House can be discussed, and discussed intelligently and profitably, without any mention of partisan politics. But since that has been injected here—and it could not be prevented—I am willing to state that the Republican Party has nothing to charge against the Democratic Party on the question of administering the civil-service law; nothing at all. I repeat that the Republican Party itself is guilty, a hundred times over again, of more violations of the law than the Democratic Party.

I remember when I came here about 16 years ago. We had had a Democratic President in the White House who had gone out two years before that, in 1897, and I wondered how it was, in the administration of the civil-service law, that so few Democrats were found in the departments, and that those that were found there were occupying inferior positions, almost without exception. I was told this: That when the Republican Party came into power in 1897 the word was given, the order went out—not from the President of the United States, but from those great leaders of the Republican Party, the politicians, the bosses of the Republican Party—that no Republican holder of a position or office should take orders or directions in his department from a Democratic superior if it could possibly be avoided. The result was that Democrats who were chiefs of divisions and occupying important positions, in order to remain in the Government service, gave up those positions and took demotions to lower places in the Government service. This is true in hundreds of instances.

So, Mr. Chairman, this went on. The Republican Party, from 1897 to March 4, 1913—

Mr. GILLET. Mr. Chairman, will the gentleman yield right there?

Mr. FINLEY. I will come to you in a minute. I will remember your speech, and then I will yield to you.

Mr. GILLET. I just wanted to ask you about what you stated. How do you know this alleged fact that you stated?

Mr. FINLEY. Parties told me so; parties who took demotions.

Mr. GILLET. I want to tell you—

Mr. FINLEY. The gentleman can not tell me. He does not know. I do not yield for a statement. The gentleman does not know.

Mr. GILLET. I do not believe you know.

Mr. FINLEY. Well, you are wrong about that, as you are wrong about this civil-service proposition.

So, Mr. Chairman, the Republican Party continued in power until March 4, 1913, and there have been very few removals since that time. In fact, I am of the opinion that there have not been nearly as many as there should have been. Time after time the Republican Party covered into the civil service, without examination, Government officials, Government employees, until finally, during the latter part of President Taft's administration, when the handwriting was on the wall, and it was understood that the days of the Republican Party were numbered in administration matters, that they were going out, all assistant postmasters were covered into the civil service by a blanket order. Then it was that the fourth-class postmasters were covered in. When the Republican Party had the opportunity for 16 years to give this country an honest and efficient civil-service administration, it absolutely failed to do so, and on the contrary filled prac-

tically every place, office, and position with Republicans in every instance where politics could be made a part of the proceedings. I am told, and I believe it to be a fact, that when President Wilson came into office about 17 months ago there were something like 90 per cent of Republican officials holding places throughout the United States in the classified service. Can anybody believe that on any fair division this is the percentage that should prevail as among all the great parties in this country? Nobody believes that statement. It is ridiculous on the face of it. After the Republican Party had the opportunity for years to correctly and properly administer the civil-service law, and after administering it in the interest of the Republican Party, they come now on every occasion, and even to-day, when there is no occasion, and raise the cry that the Democrats are breaking down the civil-service law. The provision that is in this bill here will not affect the civil-service law. The civil-service law, properly administered, should make for efficient service, and no man can stand here or elsewhere and defend that law unless he stands for efficiency. So this provision here simply provides that about 2,500 assistant postmasters who were covered into the civil service without any examination shall stand an examination to show their efficiency; and if they stand an examination, why not have competition?

All of these 2,500 assistant postmasters were covered into the civil service in a single order. It is said that they were competent, that they were trained. Does anyone believe that 2,500 assistant postmasters could be covered in under this blanket order of President Taft and not one of those men be inefficient? I dare say no one will dispute the proposition that a large percentage of them were inefficient. The purpose of the Republican Party, plainly speaking, is to hold the offices and the places, hoping that in this way they may some time in the by and by be aided to gain their old-time place and position in the control of the National Government. I say to them that this is an idle hope. If you will read what Burns wrote, you can truthfully repeat with him when he says:

I sit and count my sins by chapters.

That is what he said, and that is what the Republican Party are entitled to say. Why, my good friend from Massachusetts [Mr. GILLET] stood here this morning and deliberately told this House that these assistant postmasters were trained men, versed in a great business proposition—the postal system. And while I know his friendship and admiration for the distinguished gentleman who is now Postmaster General, and while he asserted that friendship, yet in speaking of his qualifications he called him a farmer without any particular business training. He said "planter," but there is no difference except in terms between a planter and a farmer. No particular business training! Why, I suppose the gentleman from Massachusetts would have this House believe that in order to be qualified to be a great and efficient Postmaster General a man must eat pie for breakfast and baked beans twice a day. [Laughter.] When he speaks of the Postmaster General being a farmer, I want to say to him that in many respects a farmer has more sense than anybody else. He is able to make a living for himself, and not only that, but a living for other people. He makes a living for people like—I will not say like the gentleman from Massachusetts without including myself.

If the gentleman will take the membership of this House and take the great positions in this country, he will find that most of the men who fill them to-day first saw the light of day on a farm. There they learned the practical side of life. There they learned the lessons that have been worth so much to them since, so necessary for them to learn and know in order to make good in the great battle of life. Yes; there is no doubt about A. S. Burleson being a farmer, but he has brains and capacity of a high order, so that he was well chosen by the President of the United States, great President that he is, to be Postmaster General of the United States, and he does not need words of commendation from me or from anyone else, nor to have it stated that he has been a farmer or a planter, because he makes that statement for himself. I have heard him make it dozens and scores of times, and he is proud of it, and I may say that I am proud of the fact also.

Mr. Chairman, this examination will do no more than test the efficiency of the present assistant postmasters who went in without examination and of the applicants who compete with them. It was stated here yesterday, and it is true, that since March 4, 1913, wherever there has been an examination held to fill places like this, and in the civil service generally, there has been real competition, and if a Republican won the examination he was appointed to the place, not only as assistant postmaster but in other departments of the Government.

Mr. Chairman, how much time have I consumed?

The CHAIRMAN. The gentleman has consumed 12 minutes.

Mr. FINLEY. So, Mr. Chairman, this bill that is before the House is one of the greatest importance and of the greatest moment to the Postal Service of the United States and because of this fact important to the people of the whole United States.

The proper basis for railway mail pay is a question that has disturbed Congress and has disturbed the public mind for decades past.

Before I go into that I will say, that many of the older Members here remember the contests that have taken place in the Post Office Committee room of the House and on this floor to regulate this question properly. Now, I take this occasion to say that in 1907 great reforms were instituted, and great economies were brought about by reason of a change of law making for economy in postal matters. At that time the present chairman of the Committee on the Post Office and Post Roads [Mr. Moon], the gentleman from Missouri [Mr. LLOYD], and myself were members of that committee, and I believe we are now the only Members of Congress on this side who were then on the committee. The gentleman from Kansas [Mr. MURDOCK] and the gentleman from Minnesota [Mr. STEENBERSON] were also members of the committee. I want to say that these two gentlemen gave to the people of the United States a service that I do not believe the people of this country will ever adequately appreciate. They joined with the Democrats, and we brought in this reform legislation. We reduced the railway mail pay 5 per cent. We reduced railway post-office car rent largely. We provided for carrying railway mail equipment—that is, empty mail sacks, and so forth—by freight, and other economies were provided in the laws that we passed at that time. I remember that it was in 1906 when the gentleman from Kansas [Mr. MURDOCK] delivered on that side of the Chamber a speech with reference to the proper divisor for the ascertainment of the weight of the mail. Subsequently he carried the fight to the Post Office Committee of the House, and a provision was voted into the bill. It went out finally. We could not obtain a rule from the Republicans carrying that proposition.

I suggested then, and I repeat now, that I did not believe legislation was necessary in order to carry out this reform, but the matter had been conducted in a way that was costing the Government the loss of large sums of money—millions of dollars. The mail would be weighed for 105 days, and then the total weights would be divided by 90, and this would give a larger total daily weight of mail than was actually true, so that the railroads were paid a much larger sum because paid on a larger basis than they would be paid on had the total weights been divided by 105, the number of days the mails were weighed, and as has been stated, this weighing occurs once in four years in each of the four weighing divisions. So that these economies all told amounted to more than six and a half million dollars a year, and but for these economies the people of the United States to-day would be paying these increased amounts, and they have not paid them, and they are not paying them, and it is because of that legislation, and because the President of the United States, I believe President Roosevelt, through his Postmaster General, issued an executive order requiring that the divisor for the weighing of mails should be the total number of days the mails were weighed for, and of course this divisor was made 105. The railroads did not accept this proposition. They carried the matter into the courts. Recently the case has been won by the Government, \$31,000,000 being involved. The case was finally conducted by the now Second Assistant Postmaster General, Mr. Joseph Stewart, and he won out, with \$31,000,000 involved. The case, I believe, is on the way now to the Supreme Court of the United States, so that I repeat these economies have saved to the people of the United States more than \$50,000,000 since 1907, when this legislation was enacted. In the bill under consideration we propose further reforms and additional economies. We do not propose to make these reforms and institute these economies at the expense of the railroads at all. In other words, we will obtain an efficient mail service, and the people will obtain in this way what they are entitled to obtain, and the railroads will be paid exactly for the work they do, and in my remarks in the RECORD I hope to make that plain.

Mr. KINDEL. Mr. Chairman, will the gentleman yield?

Mr. FINLEY. Yes.

Mr. KINDEL. I would like to inquire if the gentleman thinks the present express rates paid to the railroads for hauling their merchandise is a reasonable rate?

Mr. FINLEY. I do not.

Mr. KINDEL. In what way, is it too high or too low?

Mr. FINLEY. I think generally the express rates are too high, and I further state that I think that every express company in this country ought to be abolished and go out of business.

Mr. KINDEL. Does the gentleman think the railroads ought to do the business of the Government at a similar rate?

Mr. FINLEY. No. I think the railroads ought to do the parcels business for the Government at the rates provided in this bill, and in addition to that, and outside of that, I think the railroads should haul the freight of the country and haul it under the supervision of the Interstate Commerce Commission, the various railroad commissions in the various States, and under the regulations provided by them.

Mr. KINDEL. I would ask the gentleman how the people are expected to patronize the parcel post if, for instance, under the present law, on a hundred-pound parcel from New York to Denver, the price should be \$10.01, while the express rate would be \$5.70.

Mr. FINLEY. Mr. Chairman, the gentleman is speaking about the present law. Under the law the Postmaster General has the right to change the rates, subject to the approval of the Interstate Commerce Commission. There has been no trouble along those lines. In other words, the rates now provided by law are not ironclad and are not so fixed as to make them inflexible. In other words, the Postmaster General, when he ascertains that rates can be lowered, has the authority to do that subject to the approval of the Interstate Commerce Commission, as I have stated.

Mr. KINDEL. Mr. Chairman, I appreciate that the gentleman intends to lower the rates so as to make the parcel post an efficient agency for the public.

Mr. FINLEY. My belief is that the passage of this bill will result in, and properly and necessarily result in, the Government being able to carry larger amounts of weights in railway mail cars, in apartment cars, and so on, and that this bill is an absolute necessity if the life of the parcel post is to continue.

Mr. KINDEL. The rate on that hundred pounds to the post office is \$10.01, and the postmaster claims that he is paying \$9.03 to the railroad for haulage. What, in the gentleman's opinion, approximately would be the rate under this new law?

Mr. FINLEY. The gentleman is speaking for the present law.

Mr. KINDEL. That is what I want to find out. I want to vote with the gentleman, but I want to know what advantage there will be, if there is to be any advantage.

Mr. FINLEY. The advantage is this: You take the average 40-foot car to-day—railway mail car or railway post-office car. It carries only a little over 2,000 pounds in weight. The 50-foot car, I think, will carry about 3,000 pounds, and the car over 50 feet in length carries on an average about 5,000 pounds, so that these weights will be increased, and necessarily so because of the parcel post and because only space will be paid for and weight will not.

Mr. KINDEL. The gentleman is agreed to this proposition, that the Post Office ought to have rates competitive with the express companies or go out of that business?

Mr. FINLEY. I agree to this, that the Post Office Department ought to carry parcels at a reasonable rate, a rate that is commensurate with the cost of the service, and that is fair to the public, and that the express companies should go out of business.

Mr. KINDEL. I am agreed to that. But the gentleman does not believe that the Government ought to do business, for which they charge from 100 to 200 per cent higher than the express companies, on the same train, on the same goods?

Mr. FINLEY. Well, the gentleman knows as well as I know that what will be a proper rate will be worked out after the passage of this bill, in the event it becomes the law; but this bill, in my opinion, will enable the Government to give vastly lower rates for carrying parcels than the Government can give at the present time. And for this reason: It costs the Government under the present law an average of 3 cents a pound to carry all the mails. In other words, the Government pays the railroads about 3 cents a pound under the present law, and we want to get away from that, which is the necessity for this bill, 17042, changing the basis of pay to the railroads for carrying the mails from weight to space.

Mr. KINDEL. Thank you.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOON. Mr. Chairman, how much more time have we remaining?

The CHAIRMAN. Ten minutes, the Chair understands.

Mr. MOON. I will yield nine minutes of that time to the gentleman.

Mr. SAMUEL W. SMITH. I will yield 10 minutes to the gentleman.

Mr. FINLEY. Mr. Chairman, I believe I have the remainder of the time on this side, and the gentleman from Michigan yields me 10 minutes. Is that all the time the gentleman has?

Mr. MOON. It was the understanding with the gentleman from Michigan that the gentleman's speech would close general debate, because we are entitled to close debate, so I take it at the end of that time this debate will close.

Mr. SAMUEL W. SMITH. We are through.

Mr. FINLEY. The point is this, which the chairman of the committee has made, and that is that we are entitled to close debate on this side.

Mr. SAMUEL W. SMITH. Certainly; I understood the chairman to say the gentleman is entitled to proceed for 9 minutes, and I have yielded the gentleman 10 minutes.

Mr. FINLEY. The gentleman yields me 10 minutes, and that will close the debate, with the 9 minutes yielded by the gentleman from Tennessee.

The CHAIRMAN. Under that arrangement, the gentleman will proceed for 19 minutes.

Mr. FINLEY. And that will end general debate.

Mr. MURDOCK. It will not end general debate if the gentleman from Michigan has more time and desires to yield it.

Mr. FINLEY. We should settle that matter.

Mr. SAMUEL W. SMITH. We do not desire any more time on this side.

The CHAIRMAN. Then the understanding is the gentleman from Michigan has exhausted his time?

Mr. SAMUEL W. SMITH. I said to the chairman of the committee we do not desire to use any more time on this side.

Mr. FINLEY. Mr. Chairman, the question of properly fixing railway mail pay is one that has agitated Congress periodically for more than 40 years. I believe the first act by Congress providing for carrying mail on railroads was passed in 1873. From 1873 down to the present time the question as to what should be the amount of pay received by the railroads from the Government for performing this service has been a matter of contention between the Government and the railroads. The railroads, or at least the majority of them, have always contended that the rate fixed by Congress was too low, and whenever Congress has undertaken to deal with the question it has met with the most strenuous opposition from the railroads, their agents, and in many cases their attorneys, as well as from the express companies. This branch of the Postal Service is one of growth and development. Prior to 1873 the law on the subject was meager; but it is true that the service performed at that time was far different in character and in quantity from the service performed to-day. In 1873 a large part of the Postal Service in the matter of transporting mails was done by star routes. Often these routes were hundreds of miles long, calculating from one railroad to another. The amount of mail carried six days in the week on railroad trains was far in excess of the amount carried on railroads performing like service seven days in the week. At this time the exact opposite of this is true. A comparatively small amount of the mail is carried on railroad trains six days in the week; the great bulk of the mail is carried seven days in the week. In 1907 quite a number of amendments were made to the law, and provision made for greatly reforming the service along economic lines. Provision was made for reducing the compensation on mails carried in full railway or railway post-office cars and 5 per cent on land-grant railroads, where the railroad's pay was only 80 per cent of full pay. A like reduction was made in the act of May 12, 1910. I will include the statutes governing railway mail pay and railway post-office car pay or rent in my remarks. Since 1873 the basis of railway mail pay has been on weight of the mails carried by the railroads. On account of the increased weight of mails, and particularly the second-class mail, including papers, periodicals, and journals, the establishment of the Parcel Post System, and the continued growth of this system it has been found that the present law regulating railway mail pay has outlived its usefulness, and there is no longer reason or necessity for continuing to pay the railroads on the basis of weight. From statistics gathered covering the operation of railroads in the matter of freight, passenger, and express service, as well as the mail service, it has been demonstrated that a change is necessary in fixing the basis of pay to railroads from a weight to a space basis, and the bill now under consideration will effect this change.

By way of digression I will add that some 14 or 15 years ago I heard the then chairman of the Post Office and Post Roads Committee in the House state in a speech that the only scientific basis of railway mail pay, in his opinion, was one fixed on space occupied, rather than on weight of the mail. While I have not looked the matter up since, this is my recollection of the statement of the Hon. Eugene F. Loud. A number of postal commissions and joint committees have been appointed by Congress to investigate this question and report their conclusions to Congress. The Walcott commission, one of the first, which made its report many years ago, reported that the railroads were not overpaid. Since then other com-

missions and committees have been appointed, and the results of their labors have amounted to very little in the way of legislation. We have at the present time a joint committee constituted nearly two years ago to investigate and report on the question of railway mail pay. The life of this joint committee would have ended the 30th day of June, but was continued to December 1, 1914. Why this committee has not reported is well known.

Mr. Chairman, far be it from me to advocate a vote for the passage of any bill that will reduce railway mail pay below what I believe to be proper compensation for the services performed by the railroads. It has never been my view that demagoguery should have a place in legislation by the Congress, so that what I shall say is an expression of my views based upon ascertained facts and proper consideration of the ques-

tions involved, requiring a discussion that may be tiresome to some because of the necessity for stating tedious details in connection with the present plan of pay for transporting mail by railroads.

The following table is an estimate by the Third Assistant Postmaster General made for the fiscal year ended June 30, 1912, and printed in his annual report for that year. This table is intended to bring down to that date by way of estimate of the total number of pieces and weight of domestic mail (not including foreign mail) made for the fiscal year of 1911 and 1912. These estimates have for their basis the weighing of the mail in 1907 and, of course, include the growth and extension of the Postal Service during the years 1908, 1909, and 1910 and the fiscal year beginning July 1, 1911, and ending June 30, 1912. The table is as follows:

Estimated total number of pieces of the various classes of domestic matter mailed, their weight, and the postage derived therefrom, during the fiscal year ended June 30, 1912.

Class of mail.	Number of pieces.	Average weight per piece in ounces.	Average number of pieces per pound.	Aggregate weight in pounds.	Per cent of entire domestic revenue-producing mail carried.	Postage received from domestic mail.	Per cent of entire postage derived from domestic mail.
Letters and other first-class matter including post and postal cards.	9,159,648,117	0.35	45.10	203,115,365	13.14	\$168,636,706.59	74.86
Newspapers, magazines, and other second-class matter.	4,034,002,770	3.25	4.77	1,035,033,555	66.96	11,556,322.53	5.13
Catalogues, circulars, books, and other third-class matter.	2,219,355,307	1.67	9.58	231,734,225	14.99	32,551,434.81	14.45
Merchandise and other fourth-class matter.	239,982,313	5.06	3.16	75,943,770	4.91	12,524,981.15	5.56
Congressional franked and official penalty (free) matter.	310,437,878	3.16	5.06	61,415,335			
Total.	16,863,426,385	1.52	10.53	1,607,242,250	100.00	225,209,445.08	100.00

It is perhaps not out of place to follow this table with the following one relative to railway post-office cars, storage cars, and apartment cars. These are the latest statistics available. I may say, however, that it is probably true that the average weight per car at present is somewhat higher than this. The percentage of increase in weight, in my opinion, is small, and it should be borne in mind that for all car space exceeding 30-foot cars rent is paid in addition. The table is as follows:

Class of cars and average load.	Pounds.
Railway post-office cars:	
40-foot	2,028
50-foot	3,126
60-foot	5,668
Storage cars:	
40-foot	14,910
50-foot	12,589
60-foot	14,516
Apartment cars:	
15-foot	332
20-foot	522
25-foot	764
30-foot	1,474

It is interesting to note that on letters and other first-class mail matter the aggregate weight in pounds reduced to a per cent is only 13.14 per cent. The revenue produced is \$160,636,706.19. The weight of newspapers, magazines, and other second-class matter is 1,035,033,555 pounds, and is a little more than two-thirds of the weight of all domestic mail, or 66.96 per cent. The postage or revenue received from second-class mail matter was only \$11,556,322.53, or only a little more than 5 per cent of the entire revenue. On third-class mail matter, weighing 231,734,225 pounds, or an average per cent of 14.99, the postage received by the Government was \$32,551,434.81, or 14.45 per cent of the entire postage received by the Government from domestic mail. Merchandise and other fourth-class matter, weighing 75,943,770 pounds, or a percentage of all domestic mail of 4.91 per cent, yielded revenue of \$12,524,981.15, or 5.56 per cent of the entire revenue from all domestic mail. Congressional, franked and official mail, and penalty matter amounted to 61,415,335 pounds.

The cost to the Government for transporting or carrying this mail over the railroads is about 3 cents per pound. At the present time second-class mail, including newspapers, magazines, and so forth, and all congressional and official matter going through the mail free, costs the Government a little more than \$70,000,000 annually—more than is received by the Government in the way of postage or revenue from these two items of mail. If second-class mail should be made to pay the cost and franked, or free mail, be held down to a reasonable basis, and the legislative, executive, and judicial branches of the Government be required to use stamps or pay into the Post Office Department a sum of money equal to the cost of the service rendered by the Post Office Department to the various branches of the Government, I am of the opinion that inside

of two years 1-cent postage could be given to the people of the United States on all first-class letter mail.

Recurring again to the question of the various commissions and joint committees being appointed by Congress, a great deal of the time has been taken up by some of the great railroads of the country and by the express companies in fighting all proposed changes in the law other than by amending the law, so as to give the railroads more pay for the same service and to keep the express companies secure in the monopoly which they for so long a time had and which they greatly abused by charging more for carrying parcels than the service was worth. I may add, however, that the express companies were not alone interested in this fight. They were aided to some extent by the influence of certain individuals who were greatly interested in the express business and at the same time were largely interested in railroad affairs. Time after time an effort has been made in the past by these people to bring Congress to see that the newspapers and magazines of the country were being subsidized by the Government by being given the privileges of mail at 1 cent per pound, when the cost of this service to the Government was nearly 7 cents per pound; the newspapers and magazines of the country were termed "grifters" from the Public Treasury and accused of being subsidized by the Government to the extent of the difference between 1 cent per pound, which they paid to the Post Office Department, and the cost of the service to the department, of nearly 7 cents per pound. This charge that the newspapers and magazines are subsidized, strictly speaking, is not true; but, on the contrary, it is a privilege granted by the Government to the newspapers and magazines to send their publications through the mails at about one-seventh of what it costs the Government to perform this service.

A subsidy is where money is paid out of the Treasury to some one who has not earned the sum paid out, or at least has not earned all of the money paid out. The privilege in this instance is where the Government performs a service for less than the cost or where the services of the Government are free. In addition to the newspapers and magazines, the express companies and many of the railroad advocates have time and again charged that each and every branch of the Government service is a subsidy, which does not pay its way, particularly the Rural Delivery Service, which has grown up in 16 years to more than 43,000 rural routes, and from a cost of about \$150,000 annually to a cost to the Government of more than \$53,000,000 annually, bringing in a direct revenue of only about \$15,000,000. I deny that this service is a subsidy. It is a benefit of inestimable value, growing out of privileges granted by the Government to people living in rural communities. The same charge is made by some few people in reference to the Government improving its rivers and harbors and digging canals in hundreds of instances, as it has done, giving to all people in this country free use of the

improved rivers, harbors, and canals. This improvement of rivers, harbors, and digging of canals has cost the Government nearly \$700,000,000, and in addition to this about \$400,000,000 for digging the Panama Canal. This is a privilege and not a subsidy, and I repeat my statement that the newspapers and magazines are given a privilege and not a subsidy, and the same is true of the Rural Delivery Service. In the case of newspapers and magazines the cost to the Government is about \$70,000,000 per year. In the case of the Rural Delivery Service the amount paid out by the Government is about \$73,000,000 annually. In the matter of rivers, harbors, and canals constructed by the Government the privilege of use free by the public, without taking into account the original cost of building and improving, probably exceeds \$50,000,000 annually. No correct estimate can be made. All of these are privileges intended to be granted so far as to promote the general welfare of the whole country. The Hughes Commission, appointed to investigate second-class matter—that is, newspapers or magazines—reported a compromise to the effect that the postage should be doubled or raised to 2 cents per pound. Congress has not seen fit to do this, and in all probability never will. It has been correctly held that newspapers and magazines generally are the guardians of the liberties and rights of the people.

I believe firmly in this doctrine, notwithstanding the fact that many of the newspapers and magazines are both venal and corrupt and absolutely unreliable. I supported in committee and voted in the House of Representatives for the law requiring the publication by certain newspapers of their stock owners and bondholders and other regulations intended to keep the public informed with reference to these matters. [Applause.] The law is an admirable one, and should be enforced to the letter.

PRESENT PLAN FOR RAILROAD MAIL TRANSPORTATION.

Coming now to the present law governing the carriage of railway mail, under the act of March 3, 1873, the payment for the transportation of mails on railroads is based on the average daily weight carried over each road on a designated mail route. The statute provides for the rates at which such daily weight are paid, and also provides that the mails on each route should be weighed not less than once in every four years in order to determine the average daily weight. The railroads are required to furnish what are known as full cars and apartment cars. If less than 40 feet in the car are necessary for distributing the mail on route, the railroad furnishes a car or a baggage car with a certain part set aside for the distribution of the mails. This is known as an apartment car, and if the needs of the service do not require more than 30 feet of space in the car for the distribution of the mail, such cars are furnished by the railroad without additional pay from the Government. If more space than this is required, the railroads are paid for full cars, 40 feet or more in length, which, under the act of March 3, 1873, are paid for by the Government in addition to the compensation paid for the weight of the mails carried in the car. In the statute of March 3, 1873, a reduction was made in the rates of payment for full cars. The following are the statutes controlling railway mail pay under the present system:

SEC. 1317. The Postmaster General is authorized and directed to readjust the compensation * * * to be paid for the transportation of mails on railroad routes upon the conditions and at the rates hereinafter mentioned:

First. That the mails shall be conveyed with due frequency and speed; and that sufficient and suitable room, fixtures, and furniture, in a car or apartment properly lighted and warmed, shall be provided for * * * (railway postal clerks) to accompany and distribute the mails.

Second. That the pay per mile per annum shall not exceed the following rates, namely: On routes carrying their whole length an average weight of mail per day of 200 pounds, \$50; 500 pounds, \$75; 1,000 pounds, \$100; 1,500 pounds, \$125; 2,000 pounds, \$150; 3,500 pounds, \$175; 5,000 pounds, \$200, and \$25 additional for every additional 2,000 pounds, the average weight to be ascertained, in every case, by the actual weighing of the mails for such a number of successive working days, not less than 30, at such times, after June 30, 1873, and not less frequently than once in every four years, and the result to be stated and verified in such form and manner as the Postmaster General may direct.

3. The Postmaster General * * * is hereby authorized and directed to readjust the compensation to be paid from and after the 1st day of July, 1876, for transportation of mails on railroad routes by reducing the compensation to all railroad companies for the transportation of mails 10 per cent per annum from the rates fixed and allowed by the first section of an act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1874, and for other purposes," approved March 3, 1873 (R. S., sec. 4002), for the transportation of mails on the basis of the average weight.

4. The Postmaster General * * * is hereby authorized and directed to readjust the compensation to be paid from and after the 1st day of July, 1878, for transportation of mails on railroad routes by reducing the compensation to all railroad companies for the transportation of mails 5 per cent per annum from the rates for the transportation of mails on the basis of the average weight fixed and allowed by the first section of an act entitled "An act making appropriations

for the service of the Post Office Department for the fiscal year ending June 30, 1877, and for other purposes," approved July 12, 1876.

4. The Postmaster General is hereby authorized and directed to readjust the compensation to be paid from and after the 1st day of July, 1907, for the transportation of mail on railroad routes carrying their whole length an average weight of mails per day of upward of 5,000 pounds by making the following changes in the present rates, per mile per annum for the transportation of mail on such routes, and hereafter the rates on such routes shall be as follows: On routes carrying their whole length an average weight of mail per day of more than 5,000 pounds and less than 48,000 pounds the rate shall be 5 per cent less than the present rates on all weight carried in excess of 5,000 pounds; and on routes carrying their whole length an average weight of mail per day of more than 48,000 pounds the rate shall be 5 per cent less than the present rates on all weight carried in excess of 5,000 pounds up to 48,000 pounds, and for each additional 2,000 pounds in excess of 48,000 pounds at the rate of \$19.24 upon all roads other than land-grant roads, and upon all land-grant roads the rate shall be \$17.10 for each 2,000 pounds carried in excess of said 48,000 pounds.

5. The provision of the act of March 2, 1907 (34 Stat., 1212), * * * fixing the compensation to be paid for transportation of mail on land-grant railroads at the rate of \$17.10 for each 2,000 pounds carried in excess of 48,000 pounds is hereby amended to make such rate of compensation after June 30, 1910, \$15.39 for each 2,000 pounds carried in excess of 48,000 pounds; and the Postmaster General is hereby authorized and directed to readjust the compensation in accordance with this amendment.

8. That hereafter before making the readjustment of pay for transportation of mails on railroad routes, the average weight shall be ascertained by the actual weighing of the mails for such a number of successive working days not less than 90, at such times after June 30, 1905, and not less frequently than once in every four years, and the result to be stated and verified in such form and manner as the Postmaster General may direct.

SEC. 1318. All railway companies to which the United States have furnished aid, by grant of lands, right of way, or otherwise, shall carry the mail at such prices as Congress may by law provide; and, until such price is fixed by law, the Postmaster General may fix the rate of compensation.

SEC. 1319. Railroad companies whose railroad was constructed in whole or in part by land grant made by Congress on the condition that the mails should be transported over their road at such price as Congress should by law direct shall receive only 80 per cent of the compensation authorized by this act. (See par. 5, sec. 1317.)

The maximum compensation for general railroad mail service and for service over land-grant railroads is shown in the following table:

Table of maximum rates of pay for railroad mail service as provided for by the statutes.

Average weight of mails per day carried over whole length of route	Pay per mile per annum			Intermediate weight warranting allowance of \$1 per mile under the law of 1873 and the custom of the department, subject to acts of July 12, 1876, June 17, 1878, and Mar. 2, 1907 (see note 1)
	Rates allowable under sec. 4002, R. S. (act of Mar. 3, 1873).	Rates allowable under acts of July 12, 1876, June 17, 1878, and Mar. 2, 1907 (see note 1).	Rates allowable to land-grant railroads under acts of July 12, 1876, June 17, 1878, and May 12, 1910 (see notes 1 and 2).	
200 pounds.....	\$50.00	\$42.75	\$34.20	Pounds.
200 to 500 pounds.....	75.00	64.12	51.30	12
500 pounds.....	100.00	85.50	68.40	20
500 to 1,000 pounds.....	125.00	106.87	85.50	20
1,000 pounds.....	150.00	128.25	102.60	20
1,000 to 1,500 pounds.....	175.00	149.62	119.70	60
1,500 pounds.....	200.00	171.00	136.80	60
1,500 to 2,000 pounds.....	225.00	192.38	153.90	60
2,000 pounds.....	250.00	213.75	171.00	60
2,000 to 3,500 pounds.....	275.00	235.13	188.10	60
3,500 pounds.....	300.00	256.50	205.20	60
3,500 to 5,000 pounds.....	325.00	277.88	222.30	60
5,000 pounds.....	350.00	299.25	239.40	60
For each additional 2,000 pounds above 5,000 and less than 48,000 pounds.....	25.00	20.30+	16.24+	80
Above 5,000 and less than 48,000 pounds.....	25.00	19.24	15.39	80
For each additional 2,000 pounds in excess of 48,000 pounds.....	25.00	19.24	15.39	80

	Character of route.	
	Nonland grant.	Land grant.
Intermediate weight above 48,000 pounds warranting addition of \$1, net.....	Pounds. 103.96	Pounds. 129.93

No allowance is made for weights not justifying the addition of \$1. NOTE 1.—The act of March 2, 1907, affects only routes carrying over 5,000 pounds.

NOTE 2.—The act of May 12, 1910, affects only land-grant routes carrying over 48,000 pounds.

SEC. 1329. Additional pay may be allowed for every line comprising a daily trip each way of railway post-office cars, at a rate not exceeding \$25 per mile per annum for cars 40 feet in length and \$30 per mile per annum for 45-foot cars and \$40 per mile per annum for 50-foot cars; and \$50 per mile per annum for 55 to 60 foot cars.

2. After July 1, 1907, additional pay allowed for every line comprising a daily trip each way of railway post-office cars shall be at a rate not exceeding \$25 per mile per annum for cars 40 feet in length and \$27.50 per mile per annum for 45-foot cars and \$32.50 per mile per annum for 50-foot cars and \$40 per mile per annum for cars 55 feet or more in length.

NOTE.—This statute does not authorize a pro rata compensation to be paid for cars which are less than 40 feet in length.

SEC. 1330. All cars or parts of cars used for the Railway Mail Service shall be of such style, length, and character, and furnished in such manner as shall be required by the Postmaster General, and shall be constructed, fitted up, maintained, heated, and lighted by and at the expense of the railroad companies.

NOTE.—This statute supplements Revised Statutes, section 4005. Section 1333 prescribes different articles that shall be included in the equipment of a car.

SEC. 1331. After the 1st of July, 1911, no pay shall be allowed for the use of any wooden full railway post-office car unless constructed substantially in accordance with the most approved plans and specifications of the Post Office Department for such type of cars, nor for any wooden full railway post-office car run in any train between adjoining steel cars or between the engine and a steel car adjoining, and that hereafter additional cars accepted for this service shall be of steel, or with steel underframe, if used in a train in which a majority of the cars are of like construction: *Provided further*, That after the 1st of July, 1916, the Postmaster General shall not approve or allow to be used or pay for any full railway post-office car not constructed of steel or with steel underframe, if such post-office car is used in a train in which a majority of the cars are of steel or of steel underframe construction.

SEC. 1332. After the 1st of July, 1917, the Postmaster General shall not approve or allow to be used or pay for any full railway post-office car not constructed of steel or steel underframe or equally indestructible material, and not less than 25 per cent of the railway post-office cars of a railroad company not conforming to the provisions of this act shall be replaced with cars constructed of steel annually after June, 1913; and all cars accepted for this service and contracted for by the railroad companies after the passage of this act shall be constructed of steel.

2. No part of this amount shall be paid for the use of any car which is not sound in material and construction and which is not equipped with sanitary drinking-water containers and toilet facilities nor unless such car is regularly and thoroughly cleaned.

NOTE.—The word "amount" in paragraph 2 refers to the appropriation for railway post-office car service for the fiscal year ending June 30, 1914. Similar provisions were contained in the appropriation acts for the fiscal years 1912 and 1913.

SEC. 1333. * * * When any railroad company fail or refuse to provide railway post-office cars when required by the Post Office Department, or shall fail or refuse to provide suitable safety heaters and safety lamps therefor, with such number of saws and axes to each car for use in case of accident as may be required by the Post Office Department, said company shall have its pay reduced 10 per cent on the rates fixed (by law). * * * (See sec. 1317.)

NOTE.—Revised Statutes, section 4003, provides that "in case any railroad company now furnishing railway post-office cars shall refuse to provide such cars, such company shall not be entitled to any increase of compensation under the provisions of the next section" (sec. 1329). The section was only applicable to conditions at the time of its enactment, and the additional compensation referred to is only to be allowed for lines comprising railway post-office cars. The above statute imposes a direct penalty on a company for failure to provide railway post-office cars in the shape of a reduction of its pay. The omitted part merely recites Revised Statutes, section 4002, as amended by the acts of June 12, 1876, and June 17, 1878. (See sec. 1317.)

THE PROPOSED PLAN.

Under the bill before the House it is proposed to place all mail service, excepting closed-pouch service, upon a space basis instead of the weight basis on which all authorizations are made at present. The change from a weight to a space basis will not greatly affect the conduct of the service. Under the new plan space will be authorized in much the same manner as it is now. The chief difference will be that all authorization will then be for specific space at specific rates to be designated in the statute. As a matter of fact, at the present time over 46 per cent of the service is already on a space basis as regards specific authorization by the department. In apartment-car service the space needed is furnished in accordance with the authorization of the department; hence the mail carried in apartment cars is practically on a space basis. The mail carried on a full railway post-office car is also practically on a space basis, and, together with the mail carried in an apartment-car service, represents at least 85 per cent of the entire Railway Mail Service. This service, excepting the amount given for the furnishing of full cars by the railroad, is practically on a space basis and yet is paid for at present on the basis of weight. The only part of the service to be left on a weight basis under the proposed plan is the closed-pouch service. Space could not well be allotted for the carriage of closed pouches, since the amount and volume of that service vary greatly on different trains and on different roads. It is therefore more practicable to leave the closed-pouch service on the weight basis, but the rest of the service can and should be put on a space basis.

The proposed plan would do much to equalize conditions among various railroads. The big lines carrying large amounts of storage mail are the ones that are well or over paid. The

pay they receive per carload lot for storage mails, when based upon a weight compensation, is very large. On other lines, where the service required is frequent, but where the weight of the mails is not great enough to necessitate the operation of full railway post-office cars, for which additional pay is given, the compensation is less per unit of service than is the case with the larger lines. As a matter of fact, practically all of the railroads that are overpaid are lines running between large cities in the East and large cities in the West. This bill will do away with such inequality of conditions.

Now, as to the proposed plan, the way in which it arose was as follows: In compliance with the statute of 1879 the department instituted an inquiry to ascertain the cost to the railroads of carrying the mails. Having ascertained the cost, the department recommended a plan for readjusting pay, and it was suggested that the railroads were to be paid the cost, which was to be ascertained annually, plus a percentage of increase. Upon an examination of this plan by the joint commission it was decided that not only would the annual ascertainment of cost be expensive, but it would be difficult, because of disagreements sure to arise between the department and the railroads. After the cost was ascertained to be less than the revenue per car mile for passenger service, and it being found also that such average revenue was subject to the regulation of the statutes, as well as more or less under the supervision of Federal and State authorities, it was determined that this might be taken as the basis in fixing the pay per car mile in the Railway Mail Service.

This average car-mile revenue for passenger-train service is found to be 24.92 cents for the year ended June 30, 1912. The department's estimate of the cost of mail service under House bill 17042 at the several unit rates as last amended aggregated \$60,242,776 for the total line cost, including terminal pay and closed-pouch service. This amount, divided by the estimated car miles of mail service, gives 22.96 cents per car mile, or less than the passenger-car mile rate for the year 1912, a reduction of only 7.86 per cent from the passenger rate, instead of 10 per cent, as stated by the Interstate Commerce Commissioners' associate statistician to be allowable for the respective difference in the cost of mail and passenger traffic.

The proposed bill has been framed upon the basis of the average revenue per passenger-car mile, with a suitable reduction to express the difference between the passenger and the mail service.

The bill, in addition to certain line rates for car service, allows a terminal charge for the loading, switching, and cleaning of the cars at each end of the run. The rates under the proposed bill are liberal and in every way fair to the railroads. I would not advocate anything that was not entirely fair. The bill provides for the payment of practically the present rate for the closed-pouch service and for line rates on a basis of space furnished, for railway post-office apartment and storage cars, likewise for terminal charges for the same, based upon cost of loading the mails into the cars at terminal, and of switching, lighting, heating, and cleaning the cars. The line rates as amended are:

Twenty-one cents a car mile for a 60-foot railway post-office car.
Ten and one-half cents a car mile for a 30-foot apartment car.
Five and one-half cents a car mile for a 15-foot apartment car.
Twenty cents a car mile for a 60-foot storage car.

The terminal charges are \$2 for an initial rate and the same as a terminal rate for each one-way trip of a 60-foot car and a pro rata for apartment car. The same rate is provided for storage cars. This makes a rate of \$8 for a 60-foot railway post-office or storage car for the round trip, \$4 for a 30-foot apartment car for the round trip, and \$2 for a 15-foot apartment car for the round trip.

The unit of these two rates produces a rate of 22.63 cents for a car mile for a 60-foot car, or its equivalent in car space. This is for the car service alone and is the average for both the railway post-office working car, including apartment car and the storage car, but there should be added to this the amount received for closed-pouch service, which will be adjusted upon the basis of weights. When this is added and proper allowance made for the space which will be occupied in carrying the closed pouches, the total average rate is raised to 22.96 cents for each car mile for a 60-foot car or its equivalent. (Figures submitted in the hearings before the joint committee.)

This is liberal pay for the railroads and is above the actual expenses incurred by the railroads in carrying the mails. Indeed these rates not only cover all operating expenses, but supply a large surplus for the companies to apply to the payment of interest on bonded debts, dividends, and all other expenses usually charged against operation revenues. It is open

to very serious doubt whether the United States Government should pay the railroad companies sufficient above the actual expenses to pay interest on the bonded debts, which represent properties in which the mail service has no interest.

The average revenue for a passenger-car mile, from figures furnished by certain railroads for 1911, was found by the Interstate Commerce Commission to be 25.4 cents. Reducing this 10 per cent, to represent the difference between the passenger service and the mail service, leaves 22.86 cents as a revenue per car mile for the mail service. The present bill provides one-tenth of a cent more, or 22.96 cents, per car mile, though from hearings before the joint commission the associate statistician of the Interstate Commerce Commission stated that 22½ cents would be a fair average rate for the mail service.

According to computations of the Post Office Department the amended rates provided by the bill, adding 4 per cent for growth, produce a total of \$62,218,566 for the Railway Mail Service for the year 1915, or over \$600,000 more than the appropriation for transportation and cars in that service made by Congress for that fiscal year. The Post Office officials state that, with economies, they may be able to make the appropriation cover all expenditures.

The Second Assistant Postmaster General, in his briefs submitted to the joint commission, showed that for the fiscal year 1910 the apportioned cost was over \$1,600,000 less than the pay received by the railroads for performing the service; nor did this take into account the credit of \$900,000 to which the department was entitled on account of land-grant deductions. It being clearly shown that the railroads were liberally paid under the present system on the basis of weights, it can not be contended that the provisions of the present bill, which upon the submitted estimates will cost the Government comparatively more, do not provide liberal rates for the services performed by the railroads. Under the department's apportionment of cost of operating expenses and taxes to the mail service these items amounted to 18.49 cents a car mile for a 60-foot car or its equivalent. The rate, therefore, of 22.96 cents under the proposed bill leaves a surplus of 4.47 cents a car mile, or over 24 per cent of the operating expenses and taxes. This will provide for the railroads over \$49,000,000 for actual and apportioned operating expenses and taxes and nearly \$12,000,000 surplus to be applied by the railroads to other charges against income, including interest on bonded debt and dividend on stocks. In view of such facts it can not be contended that the railroads are not receiving liberal payment.

A comparison might be made of the charges made by the railroads for carrying the mail and for carrying express matter. The Government and the express companies both accept merchandise for transportation, and on the basis of a 100-pound package and a 40-pound package a comparison was made between express and mail rates between specific points. In almost all cases the railroad receives a greater revenue for transportation from the mail service than from the express companies. Under a comparison made of the revenues to railroads from express service and mail service as a whole, if the railroads had been paid for mail service in 1913 at rates allowed the express companies, they would have received \$49,389,607 instead of \$51,566,030. If the calculation had been made on the basis of express rates after the changes made by order of the Interstate Commerce Commission, the \$49,389,607 given above would have been reduced to \$41,487,270.

The position of the express companies as to the present bill may be summed up in a few words. The parcel post and the change in the present law from weight to space, as will be accomplished by the bill under consideration, will absolutely put the express companies out of business. One of the express companies has already gone out of business. For the purpose of illustrating this line of thought, take the average load or weight of mail carried in railway post-office cars. In a 40-foot car about 20 mail sacks are carried, averaging each about 100 pounds in weight; in a 50-foot car, a little over 51 sacks, averaging each 100 pounds; in a 60-foot car, about 56 mail sacks of 100 pounds each to the car. Now, it may be argued that these weights would not give any large returns to the railroads, but the Government pays the railroads on a weight basis for the transportation of mail on railroad routes, and the number of cars employed may be few or many. Where the number of cars is few, the amount of rent for railway post-office cars is kept down; where many railroad cars are used over the same line in carrying mail, then, of course, this rental for cars is increased greatly. The average rental is so much per car, or a little over \$4,000 per car, as I recall, and the same is true of storage cars. The average load of 40-foot cars is estimated to be 14,912 pounds; the average load for 50-foot cars is 12,589 pounds; and for 60-foot cars is 14,516 pounds. Speculation fol-

lows as to the reason why the average load for 50 and 60 foot cars is less than the average load for 40-foot cars; also why it is that for storage cars, where no mail is handled, the average load is less than 7½ tons per car. This, taken into consideration with the fact that the average load for through freight cars is generally more than two, three, or four times this weight, makes the railroads see that by a change from weight of mail carried to space occupied by the Post Office Department in carrying the mail the Government will effect great savings by increasing the weight of mail in railway post-office cars and storage cars. To pay more than \$4,000 rent for each railway post-office car, as the Government is doing now, and then to carry an average load of railway mail of from 2,000 to 5,000 pounds in a car, is not economy. Should the railroads carry no more freight in the average car than is now carried in railway post-office cars and storage cars, every railroad in this country would be in the hands of a receiver inside of six months. These are some of the reasons for the necessity for passing the bill now under consideration.

I will, however, later on go more into detail as to the necessity for the legislation and reasons why some of the railroads and express companies fight the bill now before the House. I may add, however, in passing, that the proposed change will give to the short line and apartment car line railroads a considerable increase for carrying mails. At this time the pay for this service is insufficient.

As regards the carriage of parcels under the parcel-post law, I think it will be conceded by all that a parcel of merchandise going through the mail will cost less on a space basis than on a weight basis. It is estimated that approximately 500,000,000 parcels were handled during the calendar year 1913, on which the postage amounted to approximately \$40,000,000. This estimate is based on statistics compiled on two counts—one in April and the other in October, 1913. The number of parcels will increase during the present fiscal year, because the limit of weight per parcel has been enlarged. The number of parcels handled during the present fiscal year should increase from 500,000,000 to 700,000,000, and the average postage on a single parcel should increase from 8 to 9 cents. This will give an approximate revenue of \$63,000,000.

On pages 20 to 21 there are three provisions in the bill of great importance.

First. The Postmaster General is authorized to request information of the Interstate Commerce Commission as to the revenue received from express companies for transporting express matter, and to arrange for transportation of mail matter, other than of the first class, at rates not exceeding those allowed the express companies.

Second. He is given discretion to ask that the Interstate Commerce Commission determine what is a postal carload, or less than carload, rate of mail matter of the fourth class and periodicals, and to provide for transportation at such rates when practicable. He will thus be enabled to arrange for transportation at low rates for parcel-post matter and periodicals whenever it may be practicable.

Third. He is authorized to provide for less frequent dispatches of mail matter of the third and fourth classes and of periodicals when he may secure lower rates for transportation without material detriment to the service. The department will be enabled to arrange its shipments of the less important classes of mail so as to make less frequent shipments between large centers, and thus to effect great economies.

It will do this by making such shipments only once or twice a day, which can be arranged by allowing mail of the classes mentioned to be held at points of origin or consolidation until a full carload has been accumulated. Similarly the department now transports carload lots of periodical matter published semimonthly or less frequently, and which do not contain news matter, between large centers of distribution. As the periodicals advance their date of delivery sufficiently to overcome the difference in time in transit between fast freight and mail trains, there is no detriment to the service, and by this economy the department under existing law now saves over \$1,500,000 a year in the cost of railroad transportation. This system will be continued and extended under the present bill.

Another opportunity for economy provided by this bill is the authority given the Post Office Department to consolidate through mails between large centers into compact carload shipments. The competition between parallel lines will make it possible to secure lower rates for the transportation of such carload lots, whereas this is impossible under the present system of shipping in small lots by different lines. The plan allowing mail to be transferred from a train or route on which the space authorized is filled to capacity to another train or route where authorized space is available will make it possible

to use all authorized space between two points before authorizing additional space.

Another economy will be the carriage of postal supplies and empty equipment such as mail sacks in the empty return space paid for in postal and storage cars. The greater movement of mail matter and the movement of empty equipment are generally in opposite directions. The space needed for mail matter is consequently less in the direction in which the empty equipment is going; hence the equipment can be transported in this empty space. At present the empty equipment is carried by freight at a cost of nearly \$500,000, all of which it is believed can be saved under the new plan.

THE RAILROADS' OBJECTIONS.

As regards the objections by the railroads and express company interests to the proposed plan, the reasons assigned by them, strange as it may seem, are principally such as would have been expected of the Post Office Department. In other words, the railroads would make it appear that the responsibility has devolved on them to protect the interests of the Post Office Department. As a matter of fact, the railroads are simply opposed to all change in the organization of the mail service which does not result in giving them more money for the services they are now performing and thus continuing the express company monopoly. In the very beginning of the hearings before the joint commission the railroads submitted a plan to give themselves more pay. The railroads have consistently supported this proposition, and they have refused to lend any assistance toward the establishment of any other plan. They rendered little or no aid to the joint committee in their inquiry. Rather they were in such a spirit of criticism and opposition to all constructive legislation as to excite comment during the hearings of the joint committee.

They were open to conviction only in so far as a plan proposed coincided with their fixed convictions of what should be done. They have tried in every way to throw difficulties in the way of the Post Office Department and the House Committee on the Post Office and Post Roads, and to discredit what work the department and the House Committee on the Post Office and Post Roads have done in preparing the present bill.

The error of the railroad committee in fixing 34.42 per cent as a proper proportion of the operating expenses and taxes charged to the passenger service instead of 29.21 per cent has been shown by the Post Office Department. (Hearings, p. 1258.) The application of this per cent of 34.42 is notoriously incorrect, as appears by the table of railway statistics for 1910, as shown on page 1259 of the hearings. The theory of the railroads, when summed up, amounts to the ridiculous statement that during the year 1910 mail-carrying railroads operated their passenger services at a loss of \$104,158,513, while the freight services of these railroads provided a surplus of more than \$272,195,661. Yet notwithstanding this, we have the railroads at present clamoring with the Interstate Commerce Commission for an increase of freight rates on the ground that these rates are altogether too low. The contention of the railroads before the Joint Committee on Railway Mail Pay is that passenger service results in a loss to the companies of more than \$104,000,000 annually and the freight service for 1910 and 1911 to a surplus or net income of more than \$272,000,000 annually, and still the railroads are contending with the Interstate Commerce Commission for an increase in freight rates and without any strong contention that passenger rates are too low and should be increased. It seems that for the purpose of the hearing and argument before the Joint Committee on Railway Mail Pay the railroads are satisfied with the freight rates and are altogether dissatisfied with the passenger and railway mail pay rates, whereas before the Interstate Commerce Commission the contention of railroads is generally the reverse.

The railroads should agree with themselves before they carry their contentions elsewhere. The railroad estimates are based upon the proposition that they did not receive 6 per cent net on the reported valuation of railroad property. The value of railroad property, as claimed by the railroads before the Joint Commission on Railway Mail Pay and the Interstate Commerce Commission, is over \$14,000,000,000. When it is taken into consideration that this report as to value is made by themselves, and that it is not the same valuation as reported by them to the various State and county officials for purposes of taxation, and, in addition to this, that it includes a great deal of water injected into the valuation of railroads by the manipulation of those who in the past have had the control and management of the property—it can be easily ascertained why it is that this claim of the railroads is, generally speaking, unreasonable.

Mr. Howard Elliott, in his work on Truth About Railroads, states that the charges in the rates of interest to American railroads are not yet 4½ per cent in each case. Now, if this be true,

and no one disputes the proposition, by what rule, founded in either law or equity, are railroads entitled to claim a higher rate of pay for carrying mails than for receiving pay from the public for the performance of like service in other lines of transportation? The Interstate Commerce Commission, under a resolution by Congress, is now and for some time past has been engaged in making a physical valuation of railroads. This work is not yet completed, and until it is completed we will have no real scientific basis on which to base the claim that a certain fixed per cent, based on valuation of railroads or upon return of income by railroads, is unquestionably the correct per cent. I apprehend that when railroad property is valued from the standpoint provided in the resolution mentioned a great deal of the value now claimed by the railroads for the purpose of fighting this proposed legislation will be found to be water, and when this is eliminated by a squeezing-out process the real value of railroads will not be much over or under 75 per cent of the value claimed by the railroads in the hearings before the Joint Committee on Railway Mail Pay. In other words, the claim of the railroads as to value is one of speculation. If the railroads are correct in claiming that 6 per cent is a proper return on their property, then it follows that 25 per cent of the valuation of railroad property as claimed by the railroads is water injected by manipulation and speculation.

It is stated by Samuel O. Dunn in his work *Governing Ownership of Railroads*, pages 65, 216, and 217, that a very large part of the physical value of the railroads is represented by terminals in large cities. This is in reference to handling passenger traffic and expressing architectural beauty.

One objection urged by the railroads to the recommendations of the department is that the department's policy is a vacillating one; that the Post Office Department has often changed its plan and therefore what it recommends loses weight. This course is evidenced by the fact that even now long arguments are mailed to Members of Congress. The latest of these is No. 15. On the contrary, I think the fact that the Post Office Department has at all times shown a mind open to conviction and a willingness to accept suggestions of the joint commission and others proves that the conclusion arrived at by them is both honest and probably correct. The Post Office Department has sought to incorporate in its suggestions to the joint commission all the best features brought out by the hearings, and its aid, particularly that of Mr. Stewart, the Second Assistant Postmaster General, to the committee in preparing the bill and aiding in securing data has been of very great value.

The railroads claim that they are now carrying the mails at a loss, while under the new bill, in view of the fact that many millions a year will be saved by the Government, their loss will be greater. It is true that the Government will save many millions a year under the proposed plan; probably more than \$4,000,000 the first year, and thereafter a larger sum each year, based upon the growth of the Postal Service. That is one of the objects of the bill. It is also true, however, that these millions will not be taken out of the railroads' pockets, as they would have you believe, but will be saved by reason of economies and reforms only possible under a conduct of a railway mail service on a basis of pay for space instead of weight. The department, under the proposed plan, will be enabled both to give the country efficient service and to pay the railroads a liberal compensation for the service performed by them.

The railroads' claim that they are now carrying the mail at a loss was completely refuted by the briefs submitted by the Second Assistant Postmaster General on January 16, 1914, to the joint commission. In it he gave the joint commission, on pages 994, 995, 996, and 997 of the hearings, a complete statement of all operating expenses and charges against income as regards the mail service for the year 1910. In this statement the Post Office Department charged itself with its entire part of operating expenses and taxes, and then took a share of all other charges against income which were apportionable to the passenger service. The basis upon which it took this charge was the basis of the per cent of the operating expenses and taxes already charged to the mails. Such a basis was most liberal. After making this charge against the mail service the total expenses and all charges made were shown to be over \$1,600,000 less than the total revenue received by the railroad companies for carrying the mails during the year 1910. In addition, this took no account of over \$900,000 deductions made for land-grant service which the department might have taken credit for, because such land-grant deductions were made for an entirely distinct consideration, namely, in consideration of grants of land made to the railroad company. Under the law the land-grant railroads are compelled to accept the rate, large or small, fixed by Congress. In theory, therefore, the railroads receive

the \$900,000 deducted from the pay of land-grant railroads for their carriage of the mails. The railroads made two objections to this finding of the department:

First. That the division made by the department of general expenses between the passenger and freight services was not made upon the railroads' plan of revenue train miles. Such a basis for division has long ago been found to be both antiquated and unscientific.

Second. That the department refused to charge against the Government "dead space," which is space in cars run for the convenience of the railroads and not as a necessary incident to the mail service. Such space is entirely excessive, and the department refused to charge it to the Government.

There is no foundation, therefore, for the railroads' claim that they are underpaid. Because in 1873 the railway mail pay represented 31½ per cent of the gross postal revenues, while in 1913 it represented only 19 per cent of the gross postal revenues, the railroads claim that they are underpaid. This argument is based upon a very patent fallacy. It goes upon the assumption that there is a direct relation between the gross amount received for postage on mail matter and the amount of pay received for carrying the mail matter upon a basis of weight. The revenue derived by the Post Office Department is based entirely upon the rate of postage upon the several classes of mail matter, and the gross amount received for postage depends upon the amount of business done. It is also true that in 1873 the service was new, and since then economies have been worked out. As regards first-class mail matter, the amount of revenue received by the Government is very large as compared to the weight of such matter, when you consider the amount of postage derived from second-class matter as compared with the weight of such matter. Yet in each case the railroads are paid for carrying mail matter of both first and second class on a basis of weight. The Government receives but 1 cent a pound for all charges, including carrying second-class matter, yet it pays the railroads over 3 cents a pound for the average carriage of all such matter. Consequently, if the Government were to pay them a certain per cent of the postage revenue, regardless of what is a fair rate for carrying such matter, as the argument of the railroads, outlined above, would seem to imply, the result would go very hard with the railroads.

The railroad committee advance the astounding argument that if the weighing of mails were dispensed with "there would be no effective check upon the misuse of official discretion in the authorization of car space."

In answering such a charge it is only necessary to state that the weight of mails is never a criterion of the space required. A 1,000-pound lot of mail may, on account of bulk, require more space in a car for distribution purposes than would a 2,000-pound lot of mail of a more compact character. In other words, a pound of lead weighs the same as a pound of feathers, but it takes up much less space. As regards the charge of the possible misuse of official discretion in determining the space needed, the recommendation for authorizations are the subject of most careful scrutiny by not only the supervisory officials of the Railway Mail Service but by the large force of inspectors in the field. Extravagance in authorization of space could, consequently, not long continue without correction. As to the misuse of official discretion among postal officials, if there were a possibility of such misuse in authorization, it would result in additional pay for the railroads; consequently, their apprehension for the integrity of the postal officials is not worthy of serious comment.

The railroad committee raise objection to the present bill on the ground that confusion will arise in the manner of handling mails in unusual quantity where they can not be handled in the regular authorized space. The department officials inform me that no difficulties of this kind are expected, because upon lines on which may arise the conditions indicated it is proposed to authorize a certain number of additional emergency trips per month, to be used at the discretion of the field officers in charge of the service and to be paid for at regular rates.

The railroad committee seems able to argue two ways against the space basis:

First. They claim in their brief that it will reduce their pay below the amount it should be.

Second. They oppose it on the ground that it will be more expensive to the Government and require a greater outlay of money than the plan which they themselves suggest, namely, to change the present weight-basis law so that the Government shall pay them more money for the same facilities furnished.

As to the objections of the railroad committee with reference to the construction by the railroads of railway mail cars, the provisions in the pending bill amount to little more than the reenactment of existing law. There is no ground for the rail-

roads' argument that such requirements supersede the railroad management and should be subject to the approval of the Interstate Commerce Commission.

The railroad committee raises the objection that the rates under the proposed bill, being composed of a line rate plus an initial and a terminal charge, are very complicated. As a matter of fact, the rates are more simple than under the present law. The line rate and terminal rate are based on the size of car operated in a train. The unit for fixing a line rate is the train car mile of the sized car authorized, and the size of car is the base for the terminal charges. When these are fixed for a train it will be a simple matter to determine the compensation due a given train or route. A certain amount of space will be furnished by the railroad making a certain mileage, and this will be paid for, so that pay will be given only for service actually performed. The railroads need only give to the department a statement of the service performed by its trains on a route during a stated period, and will be paid accordingly at fixed rates. No expensive and complicated weighings, such as are made now every four years and costing annually \$500,000, will be necessary. Furthermore, the payment for service actually performed will equalize conditions between railroads, which now, although they furnish the same service, receive a different compensation, because the class of mail carried by some roads—usually the large and heavy lines—is greater than the weight carried by the smaller roads. The new plan also gives increased compensation for frequency in carrying the mail, such as was not recognized under the old law.

Another provision in the bill to which the railroad committee takes exception is that authorizing the Postmaster General to pay "not exceeding" the rates named. The railroads demand that he shall pay absolutely the rates named in the bill, thus taking away discretion to pay less if the conditions of the service do not warrant the maximum pay. This provision leaving such discretionary powers in the Postmaster General is similar to provisions in all statutes regulating railway mail pay since 1838. Such a provision is found in the law of 1873, and it may be added that while no Postmaster General has ever made a reduction in rates applying to the whole service, he has in many cases, because of special conditions of the service, paid less than the maximum rates, and his discretion should not be taken away. [Applause.]

The CHAIRMAN. The time of the gentleman has expired; all time has expired, and the Clerk will read.

The Clerk began the reading of the bill.

Mr. MOON. Mr. Chairman, I want to ask if the Clerk has the bill ordered printed with the amendments in italics?

The CHAIRMAN. The Chair understands the bill has not been printed.

Mr. MANN. I do not know when it was ordered printed, but it was not sent down until about noon to-day.

Mr. MOON. It was ordered printed yesterday, and it should be here now.

Mr. MANN. But it did not go over to the Printing Office until about noon to-day. The bill was ordered printed with the suggested amendments, but it did not go to the Printing Office until this morning, nearly at noon.

Mr. MOON. Let the Clerk go ahead with the reading.

The Clerk read as follows:

*Be it enacted, etc., That hereafter when, during a weighing period, on account of floods or other causes, interruptions in service occur on railroad routes and weights of mail are decreased below the normal, or where there is an omission to take weights, the Postmaster General, for the purpose of readjusting compensation on such railroad routes as are affected thereby, is hereby authorized in his discretion to add to the weights of mails ascertained on such routes during that part of the weighing period when conditions are shown to have been normal the estimated weights for that part of the weighing period when conditions are shown to have been not normal or where there has been an omission to take weights, based upon the average of weights taken during that part of the weighing period during which conditions are shown to have been normal, the actual weights and the estimated weights to form the basis for the average weight per day upon which to readjust the compensation according to law on such railroad routes for the transportation of the mails, notwithstanding the provision of the act of Congress approved March 3, 1905, requiring that the average weight shall be ascertained by the actual weighing of the mails for such a number of successive working days, not less than 90, as the Postmaster General may direct: *Provided further*, That readjustments from July 1, 1913, may be made under this provision on routes in the first section affected by the floods in the Ohio Valley and tributary territory, commencing about March 25, 1913: *Provided further*, That on account of the increased weight of mails resulting from Postmaster General's Order No. 7349, of July 25, 1913, respecting rates upon and limit of weight of parcel-post packages in the local, first, and second zones, and effective from August 15, 1913, the Postmaster General is authorized to add to the compensation paid for transportation on railroad routes on and after August 15, 1913, for the remainder of the contract terms, not exceeding one-half of 1 per cent thereof per annum.*

Mr. SAMUEL W. SMITH. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman of the

committee how much that one-half of 1 per cent amounts to in that case?

Mr. MOON. Oh, I do not know; I have not had any calculation made of it.

Mr. SAMUEL W. SMITH. Is it about \$250,000 in round numbers?

Mr. MOON. I believe so.

Mr. SAMUEL W. SMITH. I would like to ask the gentleman one further question.

Mr. MOON. Certainly.

Mr. SAMUEL W. SMITH. And that is if the pay allotted to the railroads, both from the original 5 per cent increase of cars and from the proposed one-half of 1 per cent, would not amount in round numbers to about \$2,000,000?

Mr. MOON. Possibly.

Mr. MANN. May I ask the gentleman a question?

Mr. MOON. Certainly.

Mr. MANN. That payment that is provided for in the last proviso, section 1, is that in full for service already rendered?

Mr. MOON. Yes.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. In the discussion of the question of railway mail pay yesterday I called attention to the fact that in the fourth contract section, which is the western section, by reason of the increase of the parcel post for the postal facilities the department had used a higher per cent for determining the average annual rate of expenditure than it previously used. Heretofore the usual annual rate for the increase has been 4 per cent, or for the four years 16 per cent. Multiplying it by the total rate of expenditure that is paid to the railroads in the section would give the estimate for the payment for the next four years. But with the establishment of the parcel post the rate is 24 per cent. In this fourth contract section on June 30, 1914, the railroads were receiving \$17,200,000. Twenty-four per cent would aggregate more than \$4,000,000.

In the Post Office appropriation act, following the authorization for the Parcel Post Service, a provision was carried authorizing the department to increase the railway mail pay in those districts to the extent of 5 per cent until weighings would be taken. It is given out broadcast through the country that the railroads have received 5 per cent increase, when, in fact, they have not. All that the railroads receive by reason of this authorization is \$1,700,000, or 3.59 per cent. We are here providing an additional allowance, aggregating a quarter of a million of dollars annually, in addition to that heretofore authorized for the increasing weight of parcels from 11 to 20 and to 50 pounds. But the House can see that in the Middle West, the third contract section, where the weights will not be taken until next year, where the aggregate pay is \$16,736,000, the railroads to-day are carrying, if they are entitled to any compensation for the parcel post, matter for which they are only receiving \$500,000 additional to the determined allowance before the establishment of the parcel post, when under the present schedule of rates they would be entitled to \$2,000,000. It is only a case of this added burden being thrown upon the railroads in these respective sections for which they are receiving no adequate compensation.

Mr. LLOYD. Do you mean to convey the idea that the Post Office Department has not carried out the law?

Mr. STAFFORD. The Post Office Department was authorized to pay 5 per cent.

Mr. LLOYD. Five per cent, or not exceeding 5 per cent?

Mr. STAFFORD. Not exceeding 5 per cent.

Mr. LLOYD. They have not paid exceeding 5 per cent, and there was no law violated.

Mr. STAFFORD. I did not wish to convey by my remarks that the Post Office Department had not carried out the law.

Mr. LLOYD. I beg your pardon. I understood you to convey that idea.

Mr. STAFFORD. I said that the rate was 3.59 per cent. The allowance as proposed will only remunerate the railroads partially for the extra service occasioned by the establishment of the parcel post.

Mr. MURDOCK. Mr. Chairman, I rise to oppose the motion of the gentleman from Wisconsin [Mr. STAFFORD] in order to ask the gentleman from Tennessee [Mr. Moon] a question. In the latter part of this section is a proviso which reads as follows:

Provided further, That on account of the increased weight of mails resulting from Postmaster General's Order No. 7349, of July 25, 1913, respecting rates upon and limit of weight of parcel-post packages in the local, first, and second zones, and effective from August 15, 1913, the Postmaster General is authorized to add to the compensation paid for transportation on railroad routes on and after August 15, 1913, for the remainder of the contract terms, not exceeding one-half of 1 per cent thereof per annum.

In view of the fact that the country is divided into four sections for weighing purposes, that last year the northeastern section was weighed, and that this year the western section has been weighed, that leaves two sections that are to be weighed in the future if the present system should continue; but undoubtedly the present system will be discontinued and we will go to the space basis provided in this act. What I want to know of the gentleman from Tennessee is this: In case of a railroad, say in Alabama, which was weighed two years ago or a year ago, as to the extra pay of one-half of 1 per cent which is allowed them will it be allowed the railroad for the full year of the contract term?

Mr. MOON. I think not, if we go on the space basis.

Mr. MURDOCK. That is what I wanted to know. You think that under the language of this paragraph when the space system is inaugurated this increase of pay by reason of parcel post will not be added for subsequent years?

Mr. MOON. Certainly not.

Mr. MURDOCK. I did not know whether the law continues that or not as it stands.

Mr. MOON. Construing all the law together, that is the meaning.

Mr. STAFFORD. If the Chairman will permit me, I direct the gentleman's attention to this specific clause in line 3, page 3, that says:

For the remainder of the contract term.

As soon as we adopt the new method of payment those contract terms terminate.

Mr. MURDOCK. They are not contracts at all?

Mr. MOON. They would end under the adoption of this.

The Clerk read as follows:

Sec. 2. That the Postmaster General in cases of emergency, between October 1 and April 1 of any year, may hereafter return to the mails empty mail bags theretofore withdrawn therefrom as required by law, and for such times may pay for their railroad transportation out of the appropriation for inland transportation by railroad routes at not exceeding the rate per pound per mile as shown by the last adjustment for mail service on the route over which they may be carried and pay for necessary cartage out of the appropriation for freight or expressage.

Mr. MOON. Mr. Chairman, I move to amend, in accordance with the direction of the committee, by striking out that section.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 3, strike out all of section 2, which is comprised in lines 6 to 15, inclusive.

Mr. MURDOCK. Now, Mr. Chairman, I would like to rise for the purpose of opposing anything that is in sight, in order to ask a question.

Mr. THOMSON of Illinois. Is not the committee amendment to strike out the part through which the lines are drawn and insert that which follows?

Mr. MOON. To insert nothing. The department regards that as unnecessary.

Mr. MURDOCK. I want to ask the gentleman from Tennessee if this puts the empty equipment back into the mails?

Mr. MOON. No.

Mr. MURDOCK. What will become of it?

Mr. MOON. After this new plan is adopted we are proposing in section 13 that the Government shall take care of its equipment either in the cars where they have space or where it is now.

Mr. MURDOCK. The complication I have in mind is this, that originally we took the empty and return equipment out of the mail. Then we permitted the postmaster between certain dates to return some of them. Now we are taking that car away from him. What condition does that leave us in?

Mr. TUTTLE. That section is repeated in section 13, page 21, which covers the very point covered here. It provides for the return of the mail bags and other equipment in case of emergency. You will find it at the bottom of page 21.

Mr. MOON. This section becomes unnecessary at this place.

The CHAIRMAN. The question is on the amendment to strike out section 2.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Sec. 2. That so much of section 4 of an act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1913, approved August 24, 1912, as provides that no adjustment shall be made unless the diverted mails equal at least 10 per cent of the average daily weight on any of the routes affected, is hereby repealed.

With a committee amendment, as follows:

Page 3, line 16, strike out the figure "3" and insert the figure "2."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. MURDOCK. Mr. Chairman, will the gentleman from Tennessee [Mr. Moon] explain just what the origin of that was? Why was this amendment necessary?

Mr. MADDEN. I can explain the purpose of it. The department thought they ought to have the right to readjust at any time they wanted to regardless of whether there is a difference of 10 per cent in the weight of the mails or not. As it is now they are not allowed under the law to make any readjustment for payment or reduction under any contract unless the weight of the mails diverted exceeds 10 per cent. The department thought it an economy—and I agree that it is—if they be permitted to make any deductions or adjustments at all, that they should be permitted to make them whenever they pleased.

Mr. MURDOCK. That is, in former years the department could not make any difference in the amount of pay when the mails diverted from one railroad to another road did not exceed 10 per cent, and that is repealed in this section?

Mr. MADDEN. Yes; and it ought to be repealed.

Mr. MOON. Mr. Chairman, the Second Assistant Postmaster General makes a very clear statement in explanation of this. He says:

The present law allows readjustment in case of diversion of mails where the diverted mails amount to at least 10 per cent of the weight on any route affected. It often happens that diverted mails do not equal 10 per cent of the weight of any route affected, especially where the routes carry a very heavy weight of mail, and we would like to have the provision modified so that we can readjust the mails diverted to or from such routes.

Mr. MANN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] moves to strike out the last word.

Mr. MANN. The next section is the one concerning which there is considerable contest. I think, before we read it, Members of the House ought to have notice that we are reading the bill, and I therefore make the point of order that there is no quorum present.

Mr. MOON. Mr. Chairman, I will ask the gentleman from Illinois not to make that point of order now. I realize the importance of that section, and I will ask unanimous consent to pass over that section.

Mr. MURDOCK. When will you have a better time than now to consider it? To-morrow is Saturday.

Mr. PAYNE. When will it come up?

Mr. MOON. It may come up later this afternoon, but I want everybody interested in it to have full notice.

Mr. PAYNE. Suppose it goes over until to-morrow morning?

Mr. MOON. My suggestion was that it go over until we have finished the balance of the bill.

Mr. MANN. I will make this suggestion to the gentleman from Tennessee: It is barely possible that we might finish this bill to-morrow. To-morrow is Saturday, and it is likely that not many Members will be on the floor Saturday afternoon unless they are called in, and if they are called in it will be inconvenient to them. I have no objection, so far as I am concerned, to this section going over and being taken up the first thing when we go into committee to-morrow.

Mr. MOON. Suppose we work on this bill to the end of it, if possible, and leave this section 3 until we have finished the rest of the bill.

Mr. MANN. That might bring the consideration of section 3 late to-morrow, the most inconvenient time in the week.

Mr. MOON. Well, suppose we pass it over for the present and take it up after awhile.

Mr. CULLOP. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Tennessee yield to the gentleman from Indiana?

Mr. MOON. Yes.

Mr. CULLOP. Will there be permission, if we pass it over now, for the offering of a substitute?

Mr. MOON. Oh, yes. We will act under the same rules.

Mr. MANN. It is quicker to dispose of it now. There will be a roll call on Saturday to get the Members here.

Mr. MOON. Do you want it the first thing to-morrow?

Mr. MANN. Let us do it to-day.

Mr. MOON. You want it now?

Mr. MANN. I think it is better for us now.

Mr. MOON. Oh, if the gentleman insists upon it, he has the right to demand it.

Mr. MANN. There are more Members here to-day than there will be to-morrow.

Mr. MOON. I think we should get through with these sections concerning which there is no contest.

Mr. MANN. You might run through those sections to-morrow afternoon, when the gentleman from Tennessee and four or five more Members are here, but you can not run this through then.

I think it is safer now. I make the point of order, Mr. Chairman, that there is no quorum present.

Mr. MOON. Very well.

The CHAIRMAN. The gentleman from Illinois makes the point of order that there is no quorum present. The Chair will count. [After counting.] Sixty-one Members are present—not a quorum—and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Alney	Driscoll	Kless, Pa.	Pou
Allen	Dupré	Knowland, J. R.	Powers
Anthony	Eagle	Konop	Reed
Ashbrook	Edwards	Korby	Riordan
Aswell	Elder	Kreider	Roberts, Mass.
Austin	Estopinal	Lafferty	Rothermel
Baker	Fairchild	Langham	Rubey
Barchfield	Faison	Langley	Sabath
Bartholdt	Fess	Lazaro	Saunders
Bartlett	Fields	Lec, Ga.	Scully
Bathrick	Fitzgerald	L'Engle	Sherley
Bell, Ga.	Flood, Va.	Lenroot	Sherwood
Borland	Fordney	Levy	Sinnot
Brown, N. Y.	Francis	Lewis, Pa.	Slomp
Brown, W. Va.	Frear	Lindbergh	Smith, Md.
Browne, Wis.	Gard	Lindquist	Smith, N. Y.
Browning	Gardner	Loft	Stanley
Bruckner	George	Logue	Steenerson
Brumbaugh	Gerry	McAndrews	Stephens, Miss.
Bulkeley	Gittins	McClellan	Stephens, Nebr.
Burke, Pa.	Goeke	McGillcuddy	Stephens, Tex.
Butler	Goldfogle	McGuire, Okla.	Stevens, Minn.
Byrns, Tenn.	Gordon	Mahan	Stout
Calder	Gorman	Maher	Stringer
Callaway	Goulden	Martin	Switzer
Campbell	Graham, Ill.	Merritt	Taggart
Candler, Miss.	Graham, Pa.	Metz	Talcott, N. Y.
Cantor	Green, Ia.	Montague	Taylor, N. Y.
Cantrill	Griest	Moore	Thacher
Carew	Griffin	Morgan, La.	Thomas
Cary	Gudger	Morin	Thompson, Okla.
Casey	Guernsey	Moss, W. Va.	Townsend
Chandler, N. Y.	Hamilton, Mich.	Mott	Treadway
Church	Hamilton, N. Y.	Murray, Okla.	Underhill
Clancy	Hardwick	Neeley, Kans.	Vare
Coady	Hart	Neely, W. Va.	Vaughan
Collier	Healin	O'Brien	Vollmer
Connolly, Ia.	Hill	Oglesby	Walker
Copley	Hinds	O'Hair	Wallin
Covington	Hinebaugh	O'Leary	Walters
Cramton	Hobson	O'Shaunessy	Watkins
Crisp	Houston	Padgett	Weaver
Crosser	Howard	Palmer	Webb
Dale	Hoxworth	Parker	Whitacre
Davenport	Hughes, Ga.	Pattson, Pa.	Williams
Decker	Igoe	Peters, Me.	Willis
Dickinson	Jones	Peters, Mass.	Wilson, N. Y.
Dies	Kelley, Mich.	Peterson	Winslow
Diffenderfer	Kelly, Pa.	Phelan	Woodruff
Doelling	Kennedy, Conn.	Plumley	Woods
Doughton	Kent	Porter	Young, Tex.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. CONAY, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 17042) to amend the postal and civil-service laws, and for other purposes, finding itself without a quorum, he caused the roll to be called, whereupon 228 Members responded to their names, and he reported to the House a list of the absentees to be entered upon the Journal.

The SPEAKER. A quorum being present, the committee will resume its session.

The CHAIRMAN. The Clerk will proceed with the reading of the bill.

The Clerk read as follows:

SEC. 4. That hereafter any assistant postmaster who may be required by law or by authority or direction of the Postmaster General to execute a bond to the United States to secure faithful performance of official duty may be required to also execute a bond to the postmaster whose assistant he is for the faithful performance of his duties as such, in the discretion of the Postmaster General; and it shall be the duty of the Postmaster General to require all applicants for assistant postmasters in first and second class post offices, including those now in office who were carried into the service by Executive orders heretofore made, to take a competitive civil-service examination within 90 days, or as soon thereafter as practicable after the passage of this act, under the civil-service law, rules, and regulations, and the Postmaster General shall, under such law, rules, and regulations, appoint all assistant postmasters, and all laws, rules, and regulations in conflict with this act are hereby repealed.

With the following committee amendment:

Page 3, line 24, strike out "4" and insert "3."

The CHAIRMAN. The question is on the committee amendment.

The amendment was agreed to.

Mr. SAMUEL W. SMITH. Mr. Chairman, I move to strike out the section. I do not care to say anything in addition to what I said yesterday, except that I should like to have read a letter, written by Mr. George T. Keyes, assistant secretary of the National Civil Service Reform League, which letter I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Strike out all from line 24, page 3, down to line 16, on page 4, inclusive.

Mr. CULLOP. Mr. Chairman, a parliamentary inquiry.

Mr. MADDEN. I move to amend the motion made by the gentleman from Michigan.

The CHAIRMAN. The gentleman from Michigan has the floor. Does he desire to have this letter read in his own time?

Mr. SAMUEL W. SMITH. Yes.

Mr. CULLOP. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CULLOP. Does a motion to strike out and insert take precedence over a motion to strike out?

The CHAIRMAN. A motion to perfect the text takes precedence.

Mr. MADDEN. Mr. Chairman, I desire to make a preferential motion.

Mr. MANN. A motion to amend takes precedence.

Mr. CULLOP. But supposing the motion of the gentleman from Michigan [Mr. SAMUEL W. SMITH] is carried; would that deprive me of the right to offer a preferential motion to strike out and insert?

The CHAIRMAN. A motion to perfect the text takes precedence.

Mr. CULLOP. Which is the preferential motion, the one to substitute?

The CHAIRMAN. Yes.

Mr. CULLOP. Then, Mr. Chairman, I offer the following as a substitute.

The CHAIRMAN. The gentleman from Michigan [Mr. SAMUEL W. SMITH] has the floor. The Clerk will report the letter sent up by the gentleman from Michigan.

The Clerk read as follows:

NATIONAL CIVIL SERVICE REFORM LEAGUE,
NEW YORK, July 11, 1914.

To the Members of the House of Representatives:

On behalf of the National Civil Service Reform League I respectfully urge that section 3 of the bill (H. R. 17042) introduced by Mr. MOON and reported from the Committee on the Post Office and Post Roads be stricken from the bill. This section reads as follows:

"Sec. 3. That hereafter any assistant postmaster who may be required by law or by authority or direction of the Postmaster General to execute a bond to the United States to secure faithful performance of official duty may be required to also execute a bond to the postmaster whose assistant he is for the faithful performance of his duties, as such, in the discretion of the Postmaster General; and it shall be the duty of the Postmaster General to require all applicants for assistant postmasters in first and second class post offices, including those now in office who were carried into the service by Executive orders heretofore made, to take a competitive civil-service examination within 90 days, or as soon thereafter as practicable after the passage of this act, under the civil-service law, rules, and regulations; and the Postmaster General shall, under such law, rules, and regulations, appoint all assistant postmasters, and all laws, rules, and regulations in conflict with this act are hereby repealed."

This requires all "applicants" for assistant postmasters in first and second class post offices, "including those now in office who were carried into the service by Executive orders heretofore made," to take a competitive civil-service examination. Those now in office are not applicants. The apparent purpose of this last-quoted phrase is to vacate all offices held by such persons, although this purpose is not specifically stated. A vacancy so created is to be filled by appointment from the list so established, which means that under the civil-service law and rules any one of the first three may receive the appointment.

The provision is wholly unnecessary for any other purpose. By the existing Executive order all applicants for assistant postmasters must now take a competitive civil-service examination—not within 90 days, but as occasion requires.

If the object be that which we have surmised, we are still quite unable to perceive what useful purpose will be accomplished. The only argument which could be made for vacating all existing offices would be that without such procedure it is impossible to get rid of incompetent political favorites who were given appointments before the Executive order of September, 1910. This theory, however, is absolutely untenable. There is nothing in the civil-service rules or in the statutes that prevents the easy removal of such an employee. All that is required is to give such an employee an opportunity to make an explanation of reasons submitted to him for his removal. No formal trial is required under this procedure, and there can be no review by the courts. This section would require the Civil Service Commission to waste both time and money on a needless piece of work.

The proposal is, furthermore, unjust to the assistant postmasters who now have a competitive classified status. The Executive order classifying the assistant postmasters did not automatically give the assistant postmasters a competitive classified status; instead no assistant then in office could receive such a status until he had satisfied the Postmaster General as to his efficiency. Under this provision of the order about 1,700 of the assistant postmasters appointed prior to the issue of the order have satisfied the Post Office Department of their efficiency, evidence having been obtained from reports of postmasters, post office inspectors, and other officers. Approximately 560, or 24 per cent, have been appointed under the civil-service rules and regulations either by promotion, transfer, or through open competitive examination. All of the 1,700 assistant postmasters carried into the service by Executive order have been in office for more than three years. Since the issue of the order they have been forbidden to take any part whatsoever in politics other than to cast their votes and express their political opinions in private. They have been required to devote their time to

the duties of their office, and have depended upon the security given them through competitive classification, won by faithful service. To require them now to enter a competitive examination for appointment which would give no guaranty of reward for efficient service can only result in disturbance to the service and the establishment of a precedent which may easily leave our civil service completely unstable and disorganized.

We beg to point out, further, that under the rule permitting the selection of any one among the first three on an eligible list there would be no guaranty under this section that if the assistant postmaster in office secures a place among the first three, or even if he is the first man on the list, he will receive appointment. On the contrary, this plan can easily be made a device for making political removals and political appointments under the guise of the merit system. Such a proceeding would bring disgrace upon the party responsible for it.

The last clause in the section, furthermore, specifically repeals "all laws, rules, and regulations in conflict with this act." Taken at its face value, this clause may repeal all of the civil-service rules applicable to the appointment of assistant postmasters, inasmuch as the act, if passed, will, of course, be superior to the rules.

A similar section was contained in a bill introduced by Mr. MOON early this year, and was opposed by the league on the same grounds. In view of the possibilities of interpretation of clauses in the section and unfortunate precedents which would be established were the section allowed to stand, we urge its elimination when the bill is reached on the calendar.

Very truly, yours,

GEORGE THURMAN KEYES,
Assistant Secretary.

Mr. MADDEN. Mr. Chairman, I desire to offer a preferential motion in the form of an amendment.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. MADDEN. I move to strike out all after the word "general," in line 5, page 4, down to and including line 16.

Mr. MOON. Does the gentleman offer that as an amendment to the amendment?

Mr. MANN. No; an amendment to perfect the text.

Mr. MOON. How is it offered?

Mr. MADDEN. I offer it to perfect the text of the motion of the gentleman from Michigan.

Mr. MOON. There is a motion pending to strike out the paragraph.

The CHAIRMAN. This is a preferential motion.

Mr. MOON. I know it is; but I want to know how the gentleman is offering it.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Illinois [Mr. MADDEN].

The Clerk read as follows:

Amend the section by striking out all after the word "general," in line 5, page 4, down to and including the word "repealed," in line 16, page 4.

Mr. MURDOCK. Mr. Chairman, I offer a preferential motion.

Mr. CULLOP. I have pending at the Clerk's desk a preferential motion, which I offer.

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] has the floor.

Mr. MADDEN. Mr. Chairman and gentlemen of the committee, this bill deals with one of the most important questions now before the country. It ought not to be encumbered with any such political claptrap as this. We are dealing with a great economic problem—the movement of the mails by the railroads from one end of the Nation to the other—and that question alone is of sufficient importance to justify the best thought of every man in this House, and it ought to be so presented that every man in the House can give his thought to it. The introduction of this section in a bill dealing with the transportation of the mail is for the purpose of getting votes for that section that could not be obtained in any other way. The proponents of the section undoubtedly believe that if this section came before the House as an independent measure it would not have any chance whatever to pass, but they undoubtedly calculated that if it were tied up to a great measure that meets with the approval of every Member of the House, Members would vote for it even with this iniquitous section in the bill rather than vote against that feature of the bill which meets with their approval.

I submit that it is unfair to tie this section to the great economic measure. It is unfair to the people to endeavor to get around the civil-service law in any such way. It is unfair to the proper management of the Post Office Department so to embarrass it that you place every man who has executive duties of great importance to perform in a position of doubt as to where he stands. We need the best thought of every man in the Postal Service to get the results that the people of this country expect and should receive. We need the best thought of the best men whose services can be secured to this great service. We have introduced here a bill to scientifically reform the method of transporting the mails, and to provide for the appointment of assistant postmasters without experience and for political reasons in connection with this project is to throw the department into turmoil, to disorganize it, to make impossible an economical and efficient administration of the affairs of the department. One-third of all the money

expended out of the Treasury of the United States, over \$300,000,000 annually, is expended for the conduct of this department, and none but men of experience should be allowed to administer this great fund; politics should have no place in the conduct of postal affairs. It is unjust and unwise to load the bill down by any such iniquitous section as this. You will, no doubt, say in reply that this is only a means to give men a chance to be examined as to their fitness. That can not be true, because these men have already been examined as to their fitness. They have proved their fitness by their work, not by their words, and this amendment ought to prevail. This part of the section ought to be stricken from the bill, and the Post Office Department should be run on a strictly business basis [applause on the Republican side], not on the basis of spoils politics. The people of the United States are patient, too patient frequently, but the time has come, if you leave this section in the bill and it becomes a law and you turn these men out of office because you want the places, when the people will rebel against any such iniquity. The people will be heard from in November, when this injustice will be righted at the polls by turning you gentlemen out of office who to-day vote to turn honest, efficient men out of the public service without reason or justice.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MOON. Mr. Chairman, it is quite an interesting thing to hear my friends on the other side make their appeals against the civil-service law, against all law, against law and order in every shape, in order to uphold the Republican President in the expiring days of a Republican administration in putting 2,500 Republicans in office for life in the United States without an examination. [Applause on the Democratic side.] Talk of iniquity! That was the most shameful thing in the history of that administration. But let us see a moment what this bill, which the gentleman calls iniquitous, provides for: First, that the assistant postmaster, who now handles the cash and performs the duties of the postmaster, shall be required to give a bond to him for the performance of those duties, a thing that he does not do at the present time; and this committee now has before it cases where the assistant postmasters have defaulted and the Government has exacted money from postmasters, and application is made now for reimbursement.

But that is not the material point of this section. They complain that we require these 2,500 Republican postmasters, clothed with the power to perform the duties of that office for life by Executive order, to be examined to see whether they are competent or not. Why, under the civil-service law, should everybody else be subject to examination and these men kept out of examination? Mr. Taft put in thirty-odd thousand postmasters of the fourth class in the same manner. President Wilson said that it was not right, that it was a fraud upon the country to cover into these offices for life these fourth-class postmasters, and required a competitive examination, which has been and is going on now. Tell me, is there any difference between covering fourth-class postmasters by Executive order into office for life, and covering assistant postmasters? The logic of one is the logic of the other. What are you going to say when you go back to your constituents about this question? Are you going to say that you were willing that President Taft should select 2,500 Republicans without examination and put them into office, to prevent the fair and honest competition against them by all of the other Republicans of the country to which they are entitled under the civil-service law? Of course you would be willing to do it as against a Democrat. We would expect nothing more of you, but as against Republicans, have not other Republicans the same right to stand an examination and obtain these positions that the men chosen by the Taft administration have?

This act is in furtherance of the civil service, as far as that is concerned. It requires a compliance with the spirit of that law, which has been subverted by Executive order. Not only is it not iniquitous but it is perfectly fair and just and right. If I had been drawing a section upon this question that would meet my approval above all others, I would have said that the Postmaster General shall appoint these assistants, just as the President appoints the postmasters, because they are the confidential agents and assistants of the postmasters, and they ought to be his personal and political friends, whatever the administration may be. That would have been the businesslike way, the sensible, just way. You can not, by hollering fraud and iniquity, subvert the whole civil-service law, and if I mistake not the temper of this side of the House, you shall not longer impose these 2,500 Republican officials upon this Government without an examination.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. MOON. Not now. I desire to call the attention of the House to the attitude—

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. PAYNE. Mr. Chairman, I ask unanimous consent that the time of the gentleman may be extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOON. Mr. Chairman, I thank the House for the consent that it has given. I just want to call the attention of the House to the attitude that is assumed by men who are called into office for life by Executive order, who feel that they are perfectly secure from examination or any interference in the holding of their positions. Look what these men say:

We hold status in the civil service, conferred upon us by due process of law.

Yes; it was due process of law! It was an Executive order—an assumption of power and authority, perhaps constitutional, but not in accordance with the principles and policies of this Government.

Our title is unquestionable—

That is, you, the Congress, the controlling law-making power, must not question these gentlemen, for they are in office for life—

and our agreement is a legal agreement with the Government of the United States that we shall not be dismissed.

What a proposition! Officials of the Government claiming that they have a contract with the Government for the performance of official duties for life, and that they shall not be dismissed!

I call attention to this view expressed by these gentlemen to show their claim of implied contract of service. It shows how persistent and how insolent men may become in the assertion of a right to hold a public position when once clothed with that position for life, whatever may be the will of the dominant or sovereign power that does, in right, under the Constitution, control these places.

I had been willing to go just as far as this section goes, and require a competitive examination in which all, Republicans or Democrats, and these men themselves, might participate. Of course I would not for a moment think of an examination in which they alone would participate, but if you want to throw down the gage of battle, if you want to challenge this side about the sentiment it possesses, the feeling that we have on these questions, I will support an amendment to this proposition to take this class of men entirely out of the civil service [applause on the Democratic side] and give them over to the department for selection, because by the very nature of the service they perform they ought not to be under civil service, and ought to be the immediate confidential clerks to the postmasters who hold office by virtue of political power.

Mr. MURDOCK. Will the gentleman yield?

Mr. MOON. I will.

Mr. MURDOCK. Here is one side of this that is very confusing to some of us. If an assistant postmaster now is incompetent, can not the postmaster find against him and get rid of him?

Mr. MOON. I would like to see how he can without violating the civil-service law.

Mr. MURDOCK. There is nothing in the civil-service law which makes a postmaster retain an incompetent assistant.

Mr. MOON. There is nothing in the law that permits the postmaster to discharge an assistant postmaster; that will have to be done by an act of the department.

Mr. STAFFORD. In the case of Milwaukee—

Mr. MOON. That has to be done under the civil-service law.

Mr. STAFFORD. Will the gentleman yield?

Mr. MOON. For a question.

Mr. STAFFORD. In the case of the assistant postmaster at Milwaukee, who had been brought under the classified service, he was demoted and a Democrat put in his place by the incoming Democratic postmaster.

Mr. MOON. For what reason?

Mr. STAFFORD. That he is getting aged and was—

Mr. MOON. If he was incompetent, it would be through the operation of the civil service and through the operation of the Post Office Department.

Mr. STAFFORD. But it can be done if he is incompetent.

Mr. MOON. Yes; but that is not the question here. We are not talking about disabled men, idiots, or thieves. We are talking about able-bodied men, who have no earthly reason for being there under this administration.

Mr. STAFFORD. Will the gentleman yield further? Does not your provision provide even if they qualified under the civil-service examination, if there are three persons who are

ahead of them who are not in the service to-day, would not they be given preference of appointment and the present assistant postmaster removed, even if they proved to be efficient by a civil-service examination?

Mr. MOON. Yes; provided always these things are performed honestly. There have been, as I said a day or two ago, instances where second-class assistant postmasters were absolutely removed from one city and carried to another—

The CHAIRMAN. The time of the gentleman has expired.

Mr. MURDOCK. Mr. Chairman, I ask unanimous consent that the time of the gentleman be extended for five minutes.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent that the time of the gentleman from Tennessee be extended for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MOON. I do not care to take any more time, but I can talk all the time that you can give me.

Mr. MURDOCK. As I understand, the gentleman states this. That if an assistant postmaster to-day is incompetent he can be removed through the Civil Service Commission.

Mr. MOON. He can be removed on proper charges brought before the Civil Service Commission and sustained through the operation of the Post Office Department.

Mr. MURDOCK. Why is not that the way to get at this proposition?

Mr. BURNETT. Did you do it in that way—

Mr. MOON. The trouble is—

Mr. BURNETT. Did the Republicans put them in that way?

Mr. MOON. I am not talking about getting rid of them after they have gone in in the way they have. I am saying they have gotten in wrongly, that they have gotten in without any examination at all, and that they ought to be made to take a competitive examination in accordance with the civil-service law before they should be permitted to continue. I would not let them be exempt from the operation of that law and other classes of officials be compelled to submit to it.

Mr. MURDOCK. Does the gentleman think any appreciable number of assistant postmasters now holding under civil-service examination, where the first three on the list can be selected, will get back?

Mr. MOON. Of those now holding I do not know; if they stand the examination and get on the list the first man is mighty apt to get back.

Mr. MURDOCK. Unless there is a Democrat among the first three.

Mr. MOON. Not at all; there are many instances I can cite in my district where such a rule absolutely prevails.

Mr. MURDOCK. I would like to ask the gentleman this question: When a postmaster under the present situation complains against his assistant postmaster because of incompetency the charge comes to Washington. An inspector is sent to investigate that charge. If that inspector finds the assistant postmaster is competent, that precludes the postmaster from getting away with the assistant postmaster. Now, is not that one of the troubles with reference to this proposition, and speaking frankly and sincerely you have got—

Mr. MOON. Do not take up all of my time.

Mr. MURDOCK. Is not one of the troubles here your Republican inspectors?

Mr. MOON. Yes.

Mr. MURDOCK. Then let us get down to brass tacks. Why do you not go after the Republican inspectors? Why are you pounding the poor assistant postmasters?

Mr. MOON. Of course the Republican inspector will ordinarily give advantage to his Republican friend when it comes to his selection, but the gentleman from Kansas is taking up the back end of the question. I want to get down to the front of this proposition and get out of these offices men who have gotten in there improperly and in violation of the spirit of the civil-service law and all laws, and put them on an equality with the rest of mankind in an examination under the law and ascertain whether they are competent and entitled to the places.

Mr. MURDOCK. If the gentleman will pardon me, I think the gentleman has gone the long way around.

Mr. MOON. I will get there in about three minutes.

Mr. STEVENS of New Hampshire. Mr. Chairman, will the gentleman permit a question for information?

Mr. MOON. Yes.

Mr. STEVENS of New Hampshire. President Taft covered into the civil service the fourth-class postmasters. That order was changed by President Wilson so that all men who had not taken the examination must take an examination.

Mr. MOON. I just stated that a moment ago.

Mr. STEVENS of New Hampshire. Has President Wilson the same right and the same power to make an Executive order as President Taft had when he made his order as to these assistant postmasters?

Mr. MOON. We do not have to ask him to do so. He has the power, if he does not like our legislation, to veto it. I want to say this: That I am tired of the suggestion that this administration or this House is going to hold these offices, in the department or anywhere else, regardless of the civil service, in trust for the Republican Party. [Applause on the Democratic side.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. PAYNE].

Mr. PAYNE. Mr. Chairman, I voted for this civil-service law 30 years ago, and nearly every Member of the House on both sides voted for it, in a Democratic House. The civil-service reformers formed associations, and they had the pledge of nearly every Member of Congress to vote for this law. They wrote them a letter just before election and said the voters wanted to know how they stood on the subject, and when they got the letters they published them, so that nearly every man came here pledged to vote for a civil-service reform law. The law had a provision in it by which the service might be extended from time to time by order of the President by rules and regulations, and a great majority, nearly all, of the people now under the civil service are there by the Executive orders issued from time to time. This is no new thing of 3 years ago, or 10 years ago, or 15 years ago. The blanket of the civil service has been extended by order of the President from time to time.

Mr. McKELLAR. Will the gentleman yield?

Mr. PAYNE. Not just now. I have only five minutes. If I get more time, I will yield to the gentleman later.

Your great President, Grover Cleveland, from time to time extended this civil-service order to different branches in the administration, and men are there in the civil service to-day that came in under Cleveland's order. So this thing about which gentlemen get so much excited is not an unusual thing.

I have several assistant postmasters in my district, or the Government has. I have never recommended or intimated to a postmaster in the district in 30 years whom he should appoint as assistant postmaster or to any other position in his office. [Applause.] They have appointed them of their own free will.

Mr. BURNETT. Have they not always appointed a Republican?

Mr. PAYNE. No, sir.

Mr. BURNETT. Who is the Democrat? Tell us who he is.

Mr. PAYNE. Just give me half a minute. Some 12 or 14 years ago I recommended a postmaster for the village of Canandaigua, now the city of Canandaigua. The postmaster came to me and said he wanted to continue the present deputy postmaster. I said, "If you want to, why do you not continue him?" He said, "He is a Democrat, and I do not know whether you want it done or not." I said to him, "You have been appointed postmaster because of your ability, and I expect you to conduct that office and conduct it in the best manner possible, and if you say this man is fully competent why in the world should you not keep him there even if he is a Democrat?"

Mr. BURNETT. Did he vote for you?

Mr. PAYNE. He never was questioned about his vote. You do not know what politics are down in your country. We play it fair and square up our way.

Mr. BURNETT. You do not know it then, if you call it fair and square.

Mr. PAYNE. Well, I will put my reputation against the gentleman's, even right here in this Democratic House.

Mr. BURNETT. I will do it.

Mr. PAYNE. And that man stayed there as assistant postmaster until he died, a year or two ago.

Mr. BURNETT. You killed him?

Mr. PAYNE. Oh, "killed him." That is precisely the argument, and the only argument, you gentlemen can make on this subject. "Killed him!" And another man was appointed in his place under civil service. In another town within two years they appointed a Democrat, and he was the son of a Democratic committeeman for that county, as assistant postmaster. I do not know to exceed six assistant postmasters personally, and I have not during that time, and two of them were Democrats and vote the Democratic ticket, and nobody ever questions them about it. Oh, "Whom the gods would destroy they first make mad," and the besom of destruction is hovering mighty near the Democratic side of this House right now.

You want more trouble. I met a Democratic friend of mine, a Member of this House, two days ago, and I said to him, "You are looking a good deal better than you did five or six months

ago." He said, "I am all right now." I said, "How is that?" He said, "I have got all the post offices in my district filled, and I have not any more trouble about it."

The CHAIRMAN. The time of the gentleman has expired.

Mr. PAYNE. Mr. Chairman, I ask for five minutes more.

Mr. MOON. Mr. Chairman, I ask unanimous consent that the gentleman be granted five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. PAYNE. Have you not trouble enough now? I used to have trouble about the postmasters. The best thing that happened to me was when President McKinley took the stand that he would reappoint a man in a presidential office if he was a good postmaster, and they have been reappointing them ever since. And we have not had any but good men in the offices that I have recommended. Some of them have served 12 or 15 years, and they are so good that the Democrats have left them there until they served the full four years of their last term.

Mr. MOON. Will the gentleman yield?

Mr. PAYNE. I will.

Mr. MOON. Does the gentleman believe the Republican administration and the Democratic administration have administered the civil-service law fairly and justly?

Mr. PAYNE. Well, I can not get down to the gentleman's plane about the fairness of administering it. I do not want the gentleman to take up my time now.

Mr. MOON. We will give you more.

Mr. PAYNE. There is another question I want to get at.

Mr. MOON. And if it has been administered fairly or unfairly—the gentleman does not seem willing to say which way it was. Can you tell me why it is that in the first and second class offices it happens that 98 per cent of the assistant postmasters are Republicans and those who are Democrats have been convicted of treason two or three times by the party?

Mr. PAYNE. I do not know how you get at that. I know how it is in my district. These were appointed before the civil service was applied to them, and, I understand, many of them since.

But, gentlemen, if you want to get at this matter, you do not have to pass any law. The same law that put it in the power of the President to cover these men into the civil service provides that he can remove every one of them to-morrow morning.

Your President can remove every one of them to-morrow morning. Are you not willing to trust him? I say he can remove any one of them to-morrow morning. Can you not trust your President? Why do you want to pass this law? It will follow you to your districts. Oh, your people were afraid of it 30 years ago. They got in under cover then. They all signed that letter, and they all said they were for the reform of the civil service. But after you vote wrong this time it will not do you any good for you to write a letter to your constituents. They are onto such a game as that. They will know you are not in earnest about it. They will know that you are not telling the truth about it. They do not want these deathbed conversions on your part. [Laughter.]

Oh, there are a few men in your districts that want the offices, but the great majority of your constituents do not care a rap about them. They are for the civil-service-reform law, and they are interested in seeing it executed, and they want these offices filled on the ground of merit right along.

Now, if you think that the appointing power should not choose out of the three highest, limit them to one, to the very highest. Limit him to one choice, and then, of course, there can not be anything to it but a lottery, and the man who gets the highest percentage is the man who will be appointed. There is no trouble about that, if you are afraid the Republicans will get the advantage of it. They can not do it unless they are the brightest and pass the best examinations.

Now, do not, gentlemen, break up the post-office business in these towns, where often the assistant postmaster is the most important adjunct in the post office, as he was in the office at Canandaigua, when they kept that Democrat there and kept him until he died. Be careful about these things, and do not let your heads run against a stone wall by going blindly for any such attachment as this to such a great economic measure. Stand up and do not be whining around here a month before election and crawling into your holes after having addressed a letter to the Civil Service Reform Society, saying you have repented and that after this you are going to be good. [Applause and laughter on the Republican side.]

Mr. MOON. Mr. Chairman, I ask unanimous consent that all debate on the amendment offered by the gentleman from Michigan and on the amendment offered by the gentleman from Illinois close in five minutes.

Mr. HULINGS. I reserve the right to object, Mr. Chairman.

The CHAIRMAN. The gentleman from Tennessee [Mr. Moon] asks unanimous consent that all debate close in five minutes on the amendments submitted by the gentleman from Michigan and the gentleman from Illinois. Is there objection?

Mr. CULLOP. Mr. Chairman, a parliamentary inquiry.

Mr. MANN. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Illinois [Mr. Mann] objects.

Mr. MURDOCK. Mr. Chairman, I want to address myself to the amendment. This morning I had occasion to investigate the expenditures in the postal system, to find out what we pay the postmasters in the country.

Mr. MOON. Mr. Chairman, I want to make a parliamentary inquiry; but I want to say to my friend from Kansas that I do not want to cut him off.

Mr. MURDOCK. Go ahead, so long as it does not come out of my time.

Mr. MOON. Has the debate on this amendment been exhausted, Mr. Chairman?

Mr. MURDOCK. Yes; it probably has.

Mr. MOON. On both of these amendments?

Mr. MURDOCK. I can strike out the last word.

The CHAIRMAN. What is the gentleman's question?

Mr. MOON. Whether, under the rules, the Chairman holds that the debate has been exhausted on the two amendments.

The CHAIRMAN. It has been exhausted on the amendments.

Mr. MURDOCK. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Kansas [Mr. Murdock] moves to strike out the last word.

Mr. MOON. I have no objection to the gentleman proceeding.

Mr. MURDOCK. Mr. Chairman, the total expenditures for the Postal System at the present time are \$300,000,000. Ten per cent of that goes as pay to the postmasters. It is an enormous overhead charge for the executive service rendered. It is enormous for many reasons, but chiefly because the rate of pay to the postmasters has not been adjusted to the latter development of the whole system, for the rates of pay have not been changed for something like 30 years.

Now, the postmaster is an individual of constantly diminishing political importance by reason of popular primaries and other changes which are moving us away from the boss system, but he is still strictly political in respect to his appointment. He is usually not selected by reason of his competency or his knowledge of postal affairs. Almost universally in the United States he is an official of considerable leisure. The place in the larger cities is purely executive. And by reason of the political manner of his selection and his lack of knowledge of postal affairs the average postmaster is under the necessity of having an assistant postmaster who does know the postal system. Men who do know it are those who have been trained in subordinate places, for I think I can say truthfully that most assistant postmasters of my acquaintance in larger offices have come up from the subordinate places in the service.

Now, it is a mistake to disturb those skilled men. I know how anxious the Democrats are to get the places and I know how anxious the Republicans are to retain the places. I think that both sides of the aisle, both the Republicans and Democrats, exaggerate the importance of getting and retaining the places. The average assistant postmaster in the United States within my observation is so busy with the affairs of the office, usually doing many things that the postmaster himself ought to do, that he has no time for politics. Most of the assistant postmasters of my acquaintance are Republicans, men who were brought up out of the service and given these places by Republican postmasters. But most of those I know do not busy themselves in politics.

If this bill passes—and it will pass, of course, and become a law, because the majority party wants it—what is going to happen? All of these holding assistant postmasters will have to enter a competitive examination for the places. The local politician will be busy. He will pick up in a given community one or two or more Democrats who are after a political job; men of education; men who are up in book learning; men who can pass the ordinary technical tests that are put before applicants in the civil-service examinations, and there will be certified for selection three names. On that list will be, among the first three, probably one or two Democrats, and possibly the assistant postmaster, now a Republican. The selection will be made from those three men at the top of the list; and, politics dominating, of course the Democrat will be selected. In the course of time, through acquaintance with the system and ex-

perience, he will make just as good an assistant postmaster no doubt as the holding Republican assistant postmaster.

But what about the public and the public interests in the meantime? You have here in the United States a corps of assistant postmasters who know the service. They happen to be most of them Republicans.

Mr. MOON. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. They perform efficient service for the public. They are there. They understand it. The public has the benefit of their experience.

The CHAIRMAN. Does the gentleman from Kansas yield to the gentleman from Tennessee?

Mr. MURDOCK. Your proposal is to put them out and put in men who are untried in the technicalities of the service; men who, under a technical examination, can name the seaports of Asia; men who can solve problems in logarithms; but men who would have difficulty in describing the difference between second and third class mail.

You are crippling the service for the interim between the time you appoint your man and the time he becomes expert in the service. You ought not to do it.

Mr. MOON. Will the gentleman yield for a question?

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. McKELLAR. I ask unanimous consent that the gentleman may have two minutes to answer two questions.

Mr. MURDOCK. I will take the time unconditionally, but I will answer the questions.

The CHAIRMAN. The gentleman from Tennessee [Mr. McKELLAR] asks unanimous consent that the gentleman from Kansas [Mr. MURDOCK] may proceed for two minutes. Is there objection?

There was no objection.

Mr. MURDOCK. Now, I yield first to the gentleman from Tennessee [Mr. Moon].

Mr. MOON. I want simply to ask this question: If these assistant postmasters are as efficient as you say they are, why are they, or you for them, afraid to bring them into competition with other Republicans and Democrats who may want to take the examination?

Mr. MURDOCK. I have no fear whatsoever for them.

Mr. MOON. I suggest that with the Republican examining boards the gentleman ought not to have any fear.

Mr. MURDOCK. If the gentleman will let me answer, I will say that I have no fear whatsoever for these gentlemen. My concern is for the good of the service and for the convenience of the public.

I happen to know, as the gentleman from Tennessee [Mr. Moon] knows, that a man may be very competent as an assistant postmaster, skilled in the technicalities of that service, but for the life of him he could not tell what is the capital of Kamchatka. You are going to put into these places a lot of men who in time will be just as good assistant postmasters as they have to-day, but while they are learning the system the public is going to suffer.

Mr. MOON. Would it not be a good idea to educate a few new men for fear that some of your pet Republicans may die?

Mr. MURDOCK. The gentleman can not say anything to me about "pet Republican" assistant postmasters. I have no pet assistant postmasters in my district. Postmasters now are mostly Democrats, and the assistant postmasters are largely Republicans. But I want to say to the gentleman from Tennessee, if he has the real intestines, if he has the right kind of bowels in this situation, he can get down to brass tacks. Down in his heart he believes that no Republican ought to serve as an assistant postmaster, and if he means business, if he lives up to his lights, he ought to put them out. One way to put out Republican assistant postmasters and do it with dispatch is to put another branch of the service into politics—to change your inspector force. Let the gentleman, if he means business, face the music and bring to his Democratic friends not a half remedy, but full relief.

Mr. MOON. Mr. Chairman—

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MURDOCK. My two minutes have expired, but I should like to answer any other questions the gentleman wishes to ask.

Mr. HULINGS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HULINGS. The gentleman from Michigan offered an amendment to strike out. The gentleman from Illinois [Mr. MADDEN] offered a preferential motion, which was to amend the text. I desire to know now whether it is competent to offer

an amendment to the preferential motion of the gentleman from Illinois as a substitute?

Mr. MOON. I want to move that all debate on the amendment of the gentleman from Michigan and the amendment of the gentleman from Illinois [Mr. MADDEN] be now closed.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. HULINGS] has the floor.

Mr. HULINGS. I desire to offer a substitute for the preferential motion of the gentleman from Illinois.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

Mr. HAY. I make the point of order that he can not offer it—

The CHAIRMAN. The Chair will state to the gentleman from Virginia that he does not know, until he hears the amendment read, whether it will have a preferential character or not.

Mr. HAY. The gentleman from Illinois [Mr. MADDEN] offered an amendment to perfect the text.

The CHAIRMAN. Yes.

Mr. HAY. And the gentleman from Kansas moved to strike out the last word, and you can not have two amendments pending at the same time.

Mr. MURDOCK. I withdraw my amendment.

The CHAIRMAN. If there be no objection, the pro forma amendment of the gentleman from Kansas will be withdrawn.

Mr. MANN. I object. We will vote all the afternoon on those amendments if you want to, and we will have tellers on the motion to strike out the last word.

Mr. HAY. You can not debate it all the afternoon.

Mr. MANN. No; but we will have tellers. If you want to get gay on it, get gay.

Mr. HAY. I am not going to be bluffed into withdrawing the point of order by threats made by the gentleman from Illinois.

Mr. MANN. Oh, I ask for the regular order.

Mr. MURDOCK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MURDOCK. Mr. Chairman, the Chair will remember that the first motion offered was one by the gentleman from Michigan [Mr. SMITH] to strike out the section. That was followed by an amendment offered by the gentleman from Illinois [Mr. MADDEN] to strike out a portion of that section.

The CHAIRMAN. To perfect the text.

Mr. MURDOCK. Is it in order now to offer a further motion to perfect that paragraph?

Mr. MANN. But there is another motion pending that the gentleman from Virginia [Mr. HAY] insists upon having a vote upon, and that is the gentleman's motion to strike out the last word.

Mr. MURDOCK. I withdrew that, or tried to.

Mr. MANN. But the gentleman could not do that except by unanimous consent, and the gentleman from Virginia objected.

The CHAIRMAN. Without objection, the pro forma amendment offered by the gentleman from Kansas will be withdrawn. [After a pause.] The Chair hears no objection.

Mr. MANN. Then the bluff did go, did it not?

The CHAIRMAN. An examination of the motion submitted by the gentleman from Pennsylvania [Mr. HULINGS] shows that in the opinion of the Chair it is not a preferential motion.

Mr. HULINGS. Mr. Chairman, I would like to be heard upon that for a moment.

Mr. MOON. Mr. Chairman, I ask for a vote upon that amendment.

Mr. HULINGS. I want to be heard upon the ruling of the Chair.

The CHAIRMAN. Very well. The Chair will hear the gentleman.

Mr. HULINGS. The section which we are considering now provides for the appointment of assistant postmasters, and I am offering a substitute, providing a method which will take this whole business out of partisan politics.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. HULINGS. Certainly.

Mr. MANN. The gentleman offered an amendment which has not yet been reported. No one knows what is in the amendment. I believe the Chair has ruled it out of order, but, I suppose, must have ruled from a private inspection of the amendment.

Mr. HULINGS. Mr. Chairman, I ask that the amendment be read.

The CHAIRMAN. Without objection, the amendment will be reported.

Mr. MANN. If a gentleman offers an amendment he is entitled to have it reported.

Mr. MOON. Mr. Chairman, I will ask the gentleman to withdraw his amendment until we have taken a vote on the other amendments.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Pennsylvania [Mr. HULINGS].

The Clerk read as follows:

Amend section 3, page 3, by striking out the section and substituting the following:

"That from and after the passage of this act all vacancies arising in first, second, third, or fourth class postmasterhips shall be filled by appointment by the Postmaster General, or the assistant postmaster if there be one, or if there be none, then of some other person, to fill such vacancy until a postmaster shall have been selected and commissioned in the manner hereinafter provided—that is to say, the Civil Service Commission shall, as soon after said vacancy shall occur as possible, certify to the commissioners of the county or to the persons whose duty it is to prepare the ballots for general elections in the city, town, borough, or township in which the post office may be in which said vacancy shall occur, the names of three citizens of the city, town, borough, or township in which the post office is, qualified under the civil-service rules to be postmasters, and at the general election next succeeding thereafter the commissioners shall cause to be printed on the official ballot the names of the three persons so recommended by the Civil Service Commission, who shall be, but not under any party designation, the candidates for the office of postmaster in such city, town, borough, or township, and the person who shall receive a plurality of the votes cast for postmaster at the said election upon giving a satisfactory bond, the amount and terms of which shall be determined by the Postmaster General, shall be commissioned by the Postmaster General as the postmaster of such post office for the term of six years, and be entitled to the pay and emoluments now provided by law: *Provided*, That said postmaster when so selected and commissioned shall have authority to appoint from the classified service an assistant postmaster; and such appointee when approved by the Postmaster General before entering into his office shall give satisfactory bonds for the faithful discharge of duty to the Postmaster General: *Provided further*, That whenever in the discretion of the Postmaster General any postmaster shall be or become incompetent, inefficient, or neglectful, upon charges made and hearing thereof had of which the person is charged shall have had due notice and opportunity to defend, the Postmaster General may remove such postmaster and fill the vacancy as herein provided for until another person can be elected and commissioned. And all laws and rules and regulations inconsistent herewith are hereby repealed and rescinded."

Mr. MOON. Mr. Chairman, I want to make a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MOON. Mr. Chairman, I want to ask the Chair what he understands the situation to be as to the pending amendments?

The CHAIRMAN. The gentleman from Michigan [Mr. SMITH] submitted an amendment to strike out the section. The gentleman from Illinois [Mr. MADDEN] submitted a preferential amendment to perfect the text.

Mr. MOON. Does the Chair regard that as an amendment to the amendment?

The CHAIRMAN. No; that is an amendment to the section. That is a preferential motion to perfect the text. The gentleman from Pennsylvania submitted an amendment which has just been reported by the Clerk, which is an amendment to strike out and substitute, which does not take preference over the motion offered by the gentleman from Illinois [Mr. MADDEN].

Mr. HULINGS. Mr. Chairman, I would like to be heard upon the point of order.

Mr. MOON. The Chair then does not regard this amendment of the gentleman from Pennsylvania as one in the third degree?

The CHAIRMAN. No.

Mr. HULINGS. Mr. Chairman, the motion of the gentleman from Illinois [Mr. MADDEN] is distinctly with respect to amending section 3 of the bill with reference to the appointment of assistant postmasters. With that amendment I am in part agreed, but it does not meet my views fully, and I have introduced an amendment that has particularly to do with the manner of the appointment of the assistant postmasters. If that is not germane to the motion of the gentleman from Illinois, I can not imagine what sort of a motion would be germane. It has to do with the very same subject, and I suggest that this is the only part of this bill, where it can be offered, where we can seek to perfect the text by an amendment that will give relief from a very embarrassing and disturbing situation. Always when you come to the appointment of these postmasters with all the disturbance and petty politics that go with the present system of appointment, the natural and reasonable inquiry is, Why should not the people of the district select their postmasters? They are far better judges of the qualifications of the applicants than judges 1,000 miles away, whose appointments are always made for purely partisan political reasons.

Mr. MOON. Will the gentleman yield?

Mr. HULINGS. In just a moment. If a man has been certified as being in the classified service—

Mr. MOON. Will the gentleman yield?

Mr. HULINGS. Certainly.

Mr. MOON. Mr. Chairman, I do not think that this motion is in order; and why can not the gentleman offer it at the end of this bill as a separate section, when it will be in order without

dispute, instead of taking it up now and incumbering this section with it?

Mr. HULINGS. Following the suggestion of the gentleman, I will say that if the motion be held to be in order at that time I shall be glad to do so.

Mr. MOON. As an independent section it might be put in this bill, but whether it will be in order or not—

Mr. HULINGS. If we pass this section, as I presume it will be passed, then any amendment such as I have offered will be inconsistent with section 3 and subject to a point of order. Now, when we are dealing with section 3, and dealing with the very subject carried in my amendment, though not in toto, I hold that it is entirely competent to deal with the entire subject, not only with assistant postmasters but postmasters also, and not fourth-class postmasters only but every postmaster in the land. There is no reason why the people should not have the authority to elect from the list submitted by the Civil Service Commission the men who are to serve them as postmasters.

Everybody knows the present system is corrupt. Everybody knows that the post-office system is a political football. Everybody knows that presidential appointments are made strictly on political lines. Everybody knows that the political "boss" uses these appointments to reward the "wipers and oilers" of the machine. Everybody knows that the Post Office Department is one of the big assets of the boss system, and the sooner it is abolished the sooner you will get rid of the meanest element in party politics.

Mr. COOPER. Mr. Chairman, I move to strike out the last word.

Mr. HAY. Mr. Chairman, I make the point of order that the amendment of the gentleman from Pennsylvania is not in order. I understood the Chair to rule it is not in order.

The CHAIRMAN. The point of order is sustained.

Mr. MURDOCK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MURDOCK. Did I understand the gentleman from Virginia to say that he made a point of order against the amendment offered by the gentleman from Pennsylvania?

Mr. HAY. I did—that he can not make two motions to strike out at the same time. I did not make the point of order in that form. The point of order was sustained and never has been withdrawn.

Mr. MOON. Mr. Chairman, I move that all debate close on the pending amendment.

The CHAIRMAN. The gentleman from Tennessee moves that all debate on the pending amendment do now close.

Mr. COOPER. Mr. Chairman, a point of order. I was recognized.

Mr. MOON. Does the gentleman from Wisconsin desire to speak on this amendment?

Mr. COOPER. Yes.

Mr. MOON. I move, then, that all debate on this amendment close at the end of five minutes.

The CHAIRMAN. The gentleman from Tennessee moves that all debate on this amendment close in five minutes.

Mr. CULLOP. Mr. Chairman, a parliamentary inquiry. Is it all debate to the section and all amendments pending?

Mr. GARNER. To the amendment.

Mr. CULLOP. To the two amendments? Will the gentleman from Tennessee give his attention? Is his motion only directed to the two amendments—one offered by the gentleman from Michigan and one by the gentleman from Illinois?

Mr. MOON. Certainly. When they are disposed of the section will be open to further amendment.

The CHAIRMAN. The gentleman from Tennessee moves that all debate upon these two amendments close in five minutes, after the conclusion of the remarks of the gentleman from Wisconsin [Mr. COOPER], who is to have the five minutes.

The question was taken, and the Chairman announced the ayes appeared to have it.

Mr. MANN. Mr. Chairman, I ask for a division.

The committee divided; and there were—ayes 79, noes 55.

Mr. MANN. Mr. Chairman, I ask for tellers.

Tellers were ordered.

The committee again divided; and the tellers (Mr. Moon and Mr. MANN) reported that there were—ayes 89, noes 53.

So the motion was agreed to.

Mr. HULINGS. Mr. Chairman—

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. HULINGS. Mr. Chairman, I rise now to offer an amendment that I have already submitted to the Chair.

The CHAIRMAN. It has been ruled out of order, and the gentleman from Wisconsin is recognized for five minutes.

Mr. COOPER. Mr. Chairman, under whatever disguise this movement may be attempted—

Mr. HAY. Mr. Chairman, I demand the regular order.

The CHAIRMAN. This is the regular order.

Mr. COOPER. If I had had any idea when I rose that I was going to precipitate a riot of this character, I would not have risked it. [Laughter.] As I was saying, under whatever disguise gentlemen may seek to conceal this attempt it is plainly an effort to further the movement inaugurated early in the present Congress and since then diligently carried on step by step to do away with the civil-service system. That is exactly what it is. Now, the present civil-service law had its origin in conditions which were intolerable. Among the men foremost in urging and securing its enactment were some of the greatest of Democratic statesmen. For example, Senator Bayard, of Delaware, in a notable speech in the Senate; Senator Pendleton, of Ohio; Senator Vest, of Missouri, and other eminent men of their party.

President Grant, in a message, declared that the old spoils system made conditions intolerable. Garfield, on this floor, in a speech eloquent, philosophic, profound, unanswerable, and in an article in the Atlantic Monthly, also unanswerable, said that the old spoils system could not longer be endured, that he could not go to bed without leaving office seekers in his house nor rise early enough in the morning not to find them there. Daniel Webster and John C. Calhoun joined in a report in which they denounced the old spoils system under which Senators and Representatives claimed that the appointive offices were their property and used them to rig up corrupt political machines, and in that report those two illustrious statesmen warned the country that the corrupt and corrupting system, if allowed to continue and strengthen, would mean death to republican institutions.

The gentleman from Tennessee [Mr. Moon] asserted vehemently that the President of the United States, a Republican, covered into the civil-service class, by Executive order, 2,560 assistant postmasters, all Republicans. Now, it chanced that when he made that remark there sat beside me, on my right, the gentleman from Michigan [Mr. McLaughlin], and next to him the gentleman from Nebraska [Mr. Sloan]—both Republicans. I remarked to them that there was covered into the civil-service class by that order one of the strongest Democrats in my district as assistant postmaster at Beloit, a city of 15,000 inhabitants. Before that he had been Democratic committeeman. His name is Larry Rosenthal. I never attempted to interfere with him. The office did not belong to me. It belonged to the citizens of Beloit—the people who were its patrons and as such entitled to the service that such an expert could render. What he thought about the tariff or any other political subject did not in any degree affect his efficiency when distributing the mail of either Republicans or Democrats.

The gentleman from Alabama [Mr. Burnett] interrupted my distinguished friend from New York [Mr. Payne] while he was defending the civil-service law, and said to him, "You do not know anything about politics."

The trouble is, Mr. Chairman, that in the matter of appointments politicians of a certain type forget their plain duty to the great mass of the people and know nothing except politics.

The gentleman who sat at my right [Mr. McLaughlin], a Republican from Michigan, informs me that in the city of Muskegon, a port of importance in that State, there had been a Democratic assistant postmaster for the last 10 years. The gentleman from Michigan said, "I never thought of interfering with him either before or after he was covered into the civil-service class." Next to the right of the gentleman from Michigan was the gentleman from Nebraska [Mr. Sloan], who said, "At Beatrice, in my district, for several years the assistant postmaster has been a Democrat, and I never sought to interfere with him."

Mr. MOON. Will the gentleman yield?

Mr. COOPER. I have only five minutes, at the end of which time debate on this amendment is to cease. The gentleman refused me when the time for debate had not been limited.

The gentleman from Tennessee [Mr. Moon] assumed that only Republicans had been put into the civil service by Executive order. It was pure assumption. In my district we have assistant postmasters who are women. They can not vote; they can take no part in politics. At least one of them has neither father nor brother. I did not know that she was assistant postmaster until I visited that office. But she is a good woman earning an honest livelihood, and I would be ashamed of myself to attempt under any pretense to have her removed. Do you say that Assistant Postmaster Rosenthal, a Democrat, formerly a member of the Democratic committee—

The CHAIRMAN. The time of the gentleman has expired. The question is on the motion of the gentleman from Illinois [Mr. Madden], to strike out the last part of the section.

Mr. MANN. I ask to have the language reported.

The CHAIRMAN. Without objection, the Clerk will report the amendment.

The Clerk read as follows:

Page 4, line 5, after the word "General," strike out the following language:

"And it shall be the duty of the Postmaster General to require all applicants for assistant postmasters in first and second class post offices, including those now in office who were carried into the service by Executive orders heretofore made, to take a competitive civil-service examination within 90 days, or as soon thereafter as practicable after the passage of this act, under the civil-service law, rules, and regulations, and the Postmaster General shall, under such law, rules, and regulations, appoint all assistant postmasters, and all laws, rules, and regulations in conflict with this act are hereby repealed."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. MADDEN. Division, Mr. Chairman.

The committee divided; and there were—ayes 58, noes 90.

Mr. MADDEN. I ask for tellers, Mr. Chairman.

Tellers were ordered.

Mr. MADDEN and Mr. MOON took their places as tellers. The committee again divided; and the tellers reported—ayes 59, noes 85.

So the amendment was rejected.

The CHAIRMAN. The question is on agreeing to the motion of the gentleman from Michigan to strike out the section.

Mr. KENNEDY of Rhode Island rose.

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. HULINGS. Mr. Chairman, a parliamentary inquiry.

Mr. KENNEDY of Rhode Island. I rise to offer an amendment.

The CHAIRMAN. Clause 7 of Rule XVI provides:

A motion to strike out and insert is indivisible, but a motion to strike out being lost shall neither preclude an amendment nor motion to strike out and insert.

The Chair will therefore put the motion to strike out first. The question is on agreeing to the motion of the gentleman from Michigan [Mr. Samuel W. Smith], to strike out the section.

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SAMUEL W. SMITH. Mr. Chairman, I ask for a division.

The CHAIRMAN. The gentleman from Michigan asks for a division. Those in favor of the motion will rise and stand until they are counted. [After counting.] Fifty gentlemen have risen in the affirmative. Those opposed will rise and stand until they are counted. [After counting.] Eighty-six gentlemen have risen in the negative. The ayes are 50 and the noes are 86, and the motion to strike out is lost.

Mr. SAMUEL W. SMITH. Mr. Chairman, I ask for tellers.

Tellers were ordered; and the Chairman appointed Mr. SAMUEL W. SMITH and Mr. MOON to act as tellers.

The committee again divided; and the tellers reported—ayes 54, noes 85.

So the motion was rejected.

Mr. KENNEDY of Rhode Island rose.

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. KENNEDY of Rhode Island. To offer an amendment which I send to the Clerk's desk.

Mr. CULLOP. Mr. Chairman—

The CHAIRMAN. The Chair will recognize the gentleman from Rhode Island, who is a member of the committee. The Clerk will report the amendment offered by the gentleman from Rhode Island.

The Clerk read as follows:

Page 4, line 16, after the word "repealed," insert the following: "Provided, That assistant postmasters now in office who shall pass an examination as required by this section shall not be removed from their positions or be demoted except for cause, as in the case of other employees of the classified service."

Mr. KENNEDY of Rhode Island. Mr. Chairman, this amendment provides that assistant postmasters now in office who shall pass an examination as required by this section shall not be removed from their positions or be demoted except for cause, as in the case of other employees of the classified service.

I take it, Mr. Chairman, that this amendment will at least test the good faith and sincerity of those who make the claim that the purpose of section 3 in this bill is to advance and to

further perfect the present civil-service system. If I understand the meaning of the civil service, it is designed to promote efficiency in the public service. And the question here, as proposed by section 3, as I see it, is whether or not this section 3 will promote efficiency in the Postal Service.

Some time ago—I think it was in the month of January last—this same proposition which we have before us in this bill was attempted to be enacted into law as a rider in connection with the Post Office appropriation bill. It went out of that bill upon a point of order. Section 6 of the Post Office appropriation bill was substantially the same as section 3 of this bill. The only difference, I take it, is that section 6 of the Post Office appropriation bill attempted to accomplish directly what section 3 of this bill attempts to accomplish indirectly.

Now, Mr. Chairman, I think that the amendment I have just offered will give to the assistant postmasters who succeed in passing this examination such meed of protection as they are entitled to, because of the high class of service which they have rendered during their incumbency in office. I have no objection to section 13 of the bill, which provides for an adjustment of railway mail pay. I believe, after listening to the explanation of that section by the gentleman from New Jersey [Mr. TUTTLE], a member of the joint congressional committee, appointed to investigate the subject of railway mail pay, that it will provide a plan that at least deserves to be tested. But I object to using the good features the bill contains as a vehicle for the carriage of a proposition which still further tends to break down the civil-service system. [Applause, and cries of "Vote!" "Vote!"]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Rhode Island.

Mr. HULINGS rose.

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania rise?

Mr. HULINGS. I rise to offer the amendment which I heretofore sent to the Clerk's desk as a substitute.

The CHAIRMAN. The question before the House is the preferential motion of the gentleman from Rhode Island [Mr. KENNEDY].

Mr. HULINGS. I do not understand that.

The CHAIRMAN. It is an amendment to perfect the text, while the motion of the gentleman from Pennsylvania is a motion to strike out the whole section and substitute something else.

Mr. HULINGS. It is a motion to strike out and insert, it is true, but it has to do with the same subject matter.

The CHAIRMAN. It is not germane to this amendment, for the reason that it does not say anything about it, and it contemplates the striking out of the entire section. The question is on the amendment submitted by the gentleman from Rhode Island.

The question being taken, the Chairman announced that the yeas appeared to have it.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I ask for a division.

Mr. MOON. Give us tellers, Mr. Chairman.

Tellers were ordered; and the Chairman appointed Mr. Moon and Mr. KENNEDY of Rhode Island.

The committee divided; and the tellers reported—ayes 48, noes 79.

Accordingly the amendment was rejected.

Mr. CULLOP. Mr. Chairman, I ask to have reported the amendment which I have sent to the Clerk's desk.

The CHAIRMAN. The gentleman from Indiana offers an amendment which the Clerk will report.

The Clerk read as follows:

Strike out section 3 and insert the following in lieu thereof:

"That hereafter any assistant postmaster, clerk, or employee in any post office who may be required by law or by authority or direction of the Postmaster General to execute a bond to the United States to secure faithful performance of official duty may be required to also execute a bond to the postmaster whose assistant, clerk, or employee he is, for the faithful performance of his duties as such, in the discretion of the Postmaster General. The postmaster of all such offices shall have the power to select his assistant postmaster, all clerks, and employees irrespective of any civil-service law to the contrary, and all laws, regulations, and orders in conflict with this act are hereby repealed and nullified: *Provided*, That all such appointments shall be for a period of four years."

Mr. CULLOP. Mr. Chairman, I have offered this amendment for the purpose of protecting postmasters, and to aid them in giving good public service. The postmaster gives bond for the faithful discharge of his office. He is responsible for the acts of every employee in his office, and he ought to have the right to say who the employees in the office shall be. As the law now stands, he has nothing to say about who his subordinates shall be, but must take what the Civil Service Commission does out to him. Much has been said about the good of the service; that the civil service brings about an efficient service.

Will any gentleman tell where or how? It has been a political machine up to date, operated for partisan purposes and in the interest of partisan politics, and it is so operated now. There has not been any change in that respect. It is operated now against the administration in power, and very much to its detriment. It has already embarrassed it, as many well know, and will continue to do so. Much has been said about the efficiency of the men. Why, if some of these men should die, what would become of the positions? From the way some gentlemen talk they would go out of business. Andrew Jackson spoke a solemn truth when a man came to him and wanted a position in the service, and he called the head of a department and said it would be necessary to remove a certain man. The head of that department said that he could not run his office without that man. It would cripple the service to remove him. Andrew Jackson then replied, "Tell me the name of the office, and if there is only one man in this country who can run that office I will abolish it at once." [Applause.] President Jackson had the right idea of the situation, and the official was removed and another appointed to the place, and things moved on all right.

The postmaster knows better who can give good public service than any three men a thousand miles away here in the city of Washington can know. The postmaster knows better who will suit the community for assistant postmaster and the clerks in the office than any set of men a thousand miles away here in this city.

Now, what is the condition? In many of these offices the postmaster has to accept employees for the conduct of his office who are not in sympathy with him or with the policies of his office. No official ought to be burdened in that manner, and no one can ever make a good administration of the office and be harassed in that way. It is no use to try to hide the question, gentlemen. It will not down. This is a government of parties, and the party in power ought to name the officials.

The civil service as pretended to be conducted puts educational qualifications as the supreme test for office. Educational qualifications are not the only qualifications necessary to the successful administration of an office. Sometimes it happens that the man with the better education is less qualified for the administration of the duties of an office. Business qualifications, energy, tact to meet with the people, are as essential to the proper conduct of an office as are educational qualifications. The method now enforced as the test is calculated to produce a deterioration of the public service, and a deterioration of the administration of the public duties under this administration. This amendment gives postmasters in first and second class offices the right under the law to name every clerk, every employee, and every assistant postmaster; and the postmaster better understands who can work in harmony with him, who are better qualified to discharge the duties of the office, than any three men a thousand miles away in the city of Washington. [Applause.] He knows the wants of his community, the nationality of the people, the habits and disposition of the people and the parties who may apply for positions, and is in a position to pass upon these matters and thereby secure efficiency and build up the business of the office. It puts a premium on good service and inspires men to greater activities in the satisfactory operation of the office. The principle upon which the civil service is now administered is antiquated and is not in keeping with the spirit of the times, the life tenure of office created by it is hostile to our institutions, and can not be justified from any standpoint of true Americanism. It creates a bureaucracy in its most hideous form, and one of the most dangerous in character, against which the American people are unalterably opposed.

Mr. MCKENZIE. Will the gentleman yield?

The CHAIRMAN. Does the gentleman yield to the gentleman from Illinois?

Mr. CULLOP. I would like to have two minutes more.

The CHAIRMAN. The time of the gentleman has not expired. Does the gentleman yield?

Mr. CULLOP. I have not the time to yield now. [Laughter.] Let me give you an illustration—

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. CULLOP. Mr. Chairman, I ask unanimous consent for two minutes more.

Mr. MURDOCK. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Indiana be extended for five minutes.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent that the time of the gentleman from Indiana may be extended for five minutes. Is there objection?

Mr. MANN. Mr. Chairman, reserving the right to object—

Mr. MOON. Mr. Chairman, I object to five minutes, but I have no objection to two minutes.

The CHAIRMAN. Is there objection to the gentleman from Indiana proceeding for two minutes?

Mr. MANN. Mr. Chairman, reserving the right to object, a while ago when we were courteous enough to give the gentleman from Tennessee [Mr. Moon] 15 minutes he immediately rose shortly afterwards and shut off debate on this side of the aisle by a motion to close debate. I shall not object to this request—

Mr. DONOVAN. Mr. Chairman, I demand the regular order. [Laughter.]

Mr. MANN. But if this course is to be pursued hereafter, I shall object.

The CHAIRMAN. The regular order is that the gentleman from Illinois reserves the right to object.

Mr. DONOVAN. But he can not reserve the right to object. He must either object or not object. He can not make a speech.

Mr. MURDOCK. Mr. Chairman, I make the point of order that the gentleman from Connecticut is not in order.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none, and the gentleman from Indiana is recognized for two minutes.

Mr. CULLOP. Mr. Chairman, let me call attention to how a civil-service inspection is made. Only last week I noticed in the paper a report of an inspector who was sent to investigate a charge preferred against an applicant for a little fourth-class post office. The investigation was made on Thursday, and on Friday afternoon the result of that examination appeared in a leading Republican paper of the county seat of that county. It was published and sent broadcast before it arrived in Washington, and by the time the report of the inspector reached the Post Office Department in this city the newspaper containing the publication was also here. That is the manner in which they are conducted. Does anyone doubt there was collusion in this matter? If so, how could he? This relieves them of that work. There is another consideration to this amendment. Already this Civil Service Commission controls more than 250,000 offices in this country. The salaries of these are enormous. The desire to retain the office and the power conferred is great. That is too much power to be placed in the hands of a commission composed of three men. The salaries reach into the millions. That power must be decentralized. It is now centralized in three men. Some day it will become a menace to the administration of the Government. It is powerful enough now to control the votes of many of the States of the Union. It can dictate to these officeholders how they shall vote and how they shall act in the political campaign. It is not the number of officeholders alone subservient to the wants and desires of this commission, but added to this great number are those dependent on them for subsistence and those who are interested in these persons holding their positions. This number is rapidly increasing, and this power is daily manifesting itself throughout the Republic. This power is asserting itself in politics and is attempting to shape policies and direct the course to be taken in public affairs and thereby control the affairs of the Nation. Selfishness always asserts itself with power. Give it an opportunity and it exercises it not in favor of the many but for the enhancement of the good of the few.

We can not change human nature any more than we can change the spots on the leopard. Men thus clothed with great power will prostitute it to selfish purpose, to sordid ends, and whenever they do so it is always done to the injury of others who are not so fortunate. Civil service has in the past been employed for political purposes to advance political fortunes, and it will, if the power is not removed, be so used again. The cause which inspired this legislation and made it necessary grows out of the fact that it was made to cover a class of offices, to enhance political advantages and political fortunes of some one. No use to deny it.

Did any civil-service reformer protest then? No; not one. They gulped it down in quiet. When the Executive order was made putting assistant postmasters under the classified service the blanket covered incompetent men, and the time between its promulgation and its becoming effective was given to clear the decks of men in the service who were not as good party workers as desired, and for the appointment of partisans as a reward for party services. The most flagrant abuse of both spirit and letter was practiced, and now some holier than thou rises up and cries "Spoils" when we propose this action. Oh, well, the Savior of mankind nearly 2,000 years ago, when on earth, warned the people to beware of the men who stood in public places and proclaimed they were better than other men. That doctrine was true then and it is true now, and the same admo-

nition should be invoked now and here. Yes; these men who now declare they are better than other people and cry "Spoils" are only doing so because they are unable to control the spoils. If they were, they would be doing now as they did when in power. There is no use of denying this proposition.

It is true, and the civil service has ever been operated as a political machine, and as such it has succeeded admirably, and it is high time the mask should be removed and its political operations exposed. It needs investigation in order that the people may know to what extent its political machinations have been carried on. If publicity were turned on its proceedings for the last 16 years I doubt not it would be a great revelation to the people and furnish them some interesting facts for consideration. No better evidence need be furnished for this assertion than the fact that the offices to which it applies are nearly all held by people of one political faith. More than 90 per cent of them are held by Republicans. They controlled the operation of this political machine and made it do splendid service to reward party workers. No one can successfully combat this proposition.

All this could not have been by accident, because the accident, it seems, invariably happened. It might have been an accident and happen occasionally, but when it happened nearly every time, then we know it was by intention. It has been a "swindle service" sure enough, as it is frequently called. It is in disrepute everywhere because of the hypocrisy practiced in its name and under its rule.

For one I believe every postmaster in this country should be elected by the patrons of the office. They are capable of selecting their postmaster, and the power should be given them to do so. We would then secure good and efficient service, an economical management of the office, and a more satisfactory administration of the duties. They are the people's offices, and the people should by ballot say who the officials should be. This would better please the whole people.

Now, a life tenure of office is not in accord with the spirit of our institutions, and is not approved by the people of the country. They oppose such tenure and demand that it be eliminated from the statute books. They pay the taxes, support the flag, and defend the country from all attacks without or within our borders. It is well enough that their wishes be consulted and carried into effect. Fixed tenure will get better services and a more faithful administration, because the officeholder then will keep in touch with the people and feel that he is responsible to them for the conduct of his office. This is the people's Government, and the wishes of the people should be supreme.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. MOON. Mr. Chairman, I move that all debate on this section and all amendments thereto close in five minutes.

Mr. HULINGS. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The question before the committee is the motion of the gentleman from Tennessee that all debate on the section and all amendments thereto close in five minutes.

The question was taken, and the Chair announced that the ayes appeared to have it.

Mr. MANN. Mr. Chairman, I demand a division. This is an infamous proceeding by gag rule and we all know it.

Mr. MOON. Mr. Chairman, let us have tellers. Tellers were ordered.

Mr. MANN and Mr. Moon were appointed to act as tellers. The committee divided; and there were—ayes 85, noes 47. So the motion to close debate was agreed to.

Mr. HULINGS. Mr. Chairman, I desire to offer an amendment that I have already sent to the Clerk's desk.

Mr. MOON. Is that the same amendment that the gentleman offered before?

Mr. HULINGS. Yes. Mr. MOON. But the point of order was made to that and it has been sustained.

The CHAIRMAN. But this is at a later stage of the proceedings. Without objection, the amendment will be again reported.

Mr. CULLOP. Mr. Chairman, I make the point of order against the amendment that it is not germane.

The CHAIRMAN. We can not tell what the character of the amendment is until it is reported.

Mr. MOON. But the gentleman said that it is the same amendment that he offered before.

The CHAIRMAN. The gentleman has a right to have his amendment reported.

Mr. MANN. Mr. Chairman, would debate close in five minutes in any event?

The CHAIRMAN. In five minutes.

Mr. MANN. Would there still be five minutes' debate in order on this section if we should vote now upon the pending amendment of the gentleman from Indiana?

The CHAIRMAN. There would still be five minutes of debate remaining.

Mr. MOON. As I understand it there is only five minutes' debate remaining on all amendments?

Mr. MANN. I understand, but if we dispose now of the amendment of the gentleman from Indiana, then the gentleman from Pennsylvania could offer his amendment and have five minutes.

Mr. MOON. I do not object to his having the time.

Mr. MANN. It is already provided for.

The CHAIRMAN. Without objection, the question will be taken on the amendment offered by the gentleman from Indiana.

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana.

The question was taken, and the Chair announced that the ayes appeared to have it.

Mr. CULLOP. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. CULLOP and Mr. SMITH of Michigan were appointed to act as tellers.

The committee divided; and there were—ayes 75, noes 25.

So the amendment was agreed to.

Mr. HULINGS. Mr. Chairman, I would like to have the amendment I sent to the desk reported.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amend, section 3, page 3, by striking out the section and substituting the following—

Mr. CULLOP. Mr. Chairman, I make the point of order.

The CHAIRMAN. The gentleman will wait until the amendment is reported.

The Clerk read as follows:

That from and after the passage of this act all vacancies arising in first, second, third, or fourth class postmasterhips shall be filled by appointment by the Postmaster General of the assistant postmaster, if there be one, or, if there be none, then of some other person, to fill such vacancy, until a postmaster shall have been selected and commissioned in the manner hereinafter provided; that is to say, the Civil Service Commission shall, as soon after said vacancy shall occur as possible, certify to the commissioners of the county or to the persons whose duty it is to prepare the ballots for general elections in the city, town, borough, or township in which the post office may be in which said vacancy shall occur the names of three citizens of the city, town, borough, or township in which the post office is, qualified under the civil-service rules to be postmasters; and at the general election next succeeding thereafter the commissioners shall cause to be printed on the official ballot the names of the three persons so recommended by the Civil Service Commission, who shall be, but not under any party designation, the candidates for the office of postmaster in such city, town, borough, or township, and the person who shall receive a plurality of the votes cast for postmaster at the said election, upon giving a satisfactory bond, the amount and terms of which shall be determined by the Postmaster General, shall be commissioned by the Postmaster General as the postmaster of such post office for the term of six years and be entitled to the pay and emoluments now provided by law: *Provided*, That said postmaster when so selected and commissioned shall have authority to appoint from the classified service an assistant postmaster, and such appointee, when approved by the Postmaster General, before entering into his office, shall give satisfactory bonds for the faithful discharge of duty to the Postmaster General: *Provided further*, That whenever in the discretion of the Postmaster General any postmaster shall be or become incompetent, inefficient, or neglectful, upon charges made and hearing thereof had, of which the person is charged shall have had due notice and opportunity to defend, the Postmaster General may remove such postmaster and fill the vacancy as herein provided for until another person can be elected and commissioned. And all laws and rules and regulations inconsistent herewith are hereby repealed and rescinded.

Mr. CULLOP. Mr. Chairman, I make the point of order against that amendment.

Mr. MURDOCK. What is the point of order?

Mr. CULLOP. The first point of order is that it is clearly against the Constitution. You can not elect postmasters now, until you amend the Constitution, and the very passage of that would be nugatory; it would amount to nothing. There are but two ways you can come to the election of postmasters in this country—

The CHAIRMAN. Will the gentleman from Indiana state his point of order?

Mr. CULLOP. Yes; my point of order is that it is not germane to the provision that has been amended. Second, that we have now perfected that section, and that, therefore, further amendment is not in order.

Mr. MANN. Mr. Chairman, I make the further point of order, if it has not already been made, that the committee by a vote has just stricken out the section and inserted a new section, and that new section is beyond amendment in the committee.

The CHAIRMAN. The points of order submitted by the gentlemen from Indiana and Illinois are sustained, and the Clerk will read.

The Clerk read as follows:

SEC. 5. That after June 30, 1915, the compensation of postmasters at post offices of the first, second, and third classes shall be annual salaries, graded in even hundreds of dollars, and payable in quarterly installments, and shall be ascertained and fixed by the Postmaster General on the basis of the gross receipts of their respective offices for the calendar year, to take effect at the beginning of the ensuing fiscal year at the rates now prescribed by law.

The committee amendment was read, as follows:

Page 4, line 17, strike out the figure "5" and insert the figure "4."

Mr. MURDOCK. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The question first is upon the committee amendment.

The question was taken, and the committee amendment was agreed to.

Mr. MURDOCK. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 4, line 25, after the word "law," insert the following: "*Provided*, That hereafter postmasters of the first, second, third, and fourth classes shall be selected from the classified list of postal employees, and all acts and parts of acts in conflict with the provisions of this act in so far as they affect this act are hereby repealed."

Mr. MURDOCK. Mr. Chairman, the object of this amendment is to compel the future selection of all postmasters to be made from men in the Postal Service under the merit system. Under the present method practically all of the men in the Postal System are selected by competitive test of their fitness. The only men who are not now taken from the classified list are the postmasters themselves. This proposition of mine is one which goes to this point, the extension of the merit system, now over part of it, over the entire system.

When the Postal System was first established it was not a service which required great skill, and it became an easy and popular field for the politician, but as it has developed it has constantly been removed from the political field and carried more and more into the practical business field. The first thing was the post office, and without general means of intercommunication it did not develop materially. But with the advent of the railroad and rapid and frequent dispatch of mails all manner of developments requiring skill and business management followed. City delivery was inaugurated. A little later the money-order system was added; the Railway Mail Service was developed, rural delivery was adopted, and parcel post. The Postal System was no longer one of small and segregated local units. It had become a magnificent organized business. And the Nation has been taking it out of politics. Until the attempt was made this afternoon, no one has seriously proposed for years to put any part of the Postal System which we have taken out of politics back into politics. That attempt can not obtain popular indorsement. Instead, I think that the country as a whole, South as well as North, East, and West, demands that that portion of the Postal System which is now in politics be taken out of politics.

Preeminently the part of the Postal System which remains in politics is that part represented by the politically appointed postmaster. My amendment is a very simple one. It is reasonable. It is businesslike, and I can not see for the life of me why Congress should resist it. It provides what? That in the selection of postmasters hereafter the Government shall make postmasters of whom? Of the partisan politicians in the town? No. Of the men who are thought to control some city, some precinct, or ward? No. It provides that the Government shall reach in among the thousands of faithful servitors of the system itself, among the skilled men in the Railway Mail Service, the skilled men among the carriers, among the trained clerks in the post office, men who have reached a high degree of efficiency, and choose from among those men who understand the service the most able and promote them to the highest executive places in post offices. There is not a man here who can stand on the public platform and combat before the people that proposition with success. The people of the United States do not believe that politics should have a part in the great business affairs of the Post Office Department. They believe in weeding politics out of it. They know all over this land from personal observation that the men who would be most proficient as postmasters are the men in the service to-day, who are barred from appointment by the alleged political necessities of some partisan who knows nothing of postal duties. Competent subordinates are not barred from promotion in other businesses. Why are they here?

Mr. McKELLAR. I want to ask the gentleman a question that I desired to ask him a few moments ago.

Mr. MURDOCK. Surely.

Mr. McKELLAR. I have a very high respect for the gentleman's views, and I want to ask the gentleman if he believes, as a matter of principle, that as many as 2,500 assistant postmasters should be given virtually places for life by Executive order? Does the gentleman think that?

Mr. MURDOCK. No; as a rule I do not. But I do think this, that by putting in the amendment to this bill which you did a few minutes ago you are subjecting the service to a period of a year or two years of inferior service, in order to get an advantage politically that will not, as a matter of fact, bring you a thing. Twenty-five hundred Democrats put in as assistant postmasters in this country will not do the Democratic Party any good, and it will do the service for the first year or two infinite harm.

But I was not on the subject of assistant postmasters. I am speaking of postmasters. I ask you, Democrats and Republicans, when the Government comes to select a postmaster, where ought it to look for one? Ought it to go among the men who are skilled in the service, among the men who know the service, or ought it to go out in the town and hunt up some politician who can carry a ward for some one? My proposal is a business proposition. Why not meet it? Why not take this branch of the postal system out of politics and put it all on a businesslike plane? Surely it belongs there. I wish I could have a record vote on this proposition.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. MURDOCK] has expired.

Mr. MOON. I want to ask the gentleman if he will yield for a moment?

Mr. MURDOCK. If I can secure more time.

Mr. MOON. What section do you want this amendment to?

Mr. MURDOCK. I offer it to section 4.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. MOON. I am speaking in my own right, Mr. Chairman, then. What section do you offer your amendment to?

Mr. MURDOCK. To the word "law," in line 25, at the bottom of page 4, which is the bottom of section 4.

Mr. MOON. I understand the purpose of your amendment is to select the postmasters from those in the Postal Service now?

Mr. MURDOCK. Yes; from the classified service.

Mr. MOON. Mr. Chairman, I just have this to say about that proposition: I can not conceive anything that would be worse than to pursue a policy of that sort. It would establish in the Post Office Department absolutely gross corruption all around, and you would find just exactly what there has been heretofore—a very corrupt condition. I do not believe that your idea would be possible with the partisanship that is carried on in that office to-day. And take this department down here now, and when the Democrats went in ninety-odd per cent of employees there were Republicans. There have been some reductions and some promotions; I do not know for what reasons, but possibly political, and there ought to be; and yet there are a lot of chiefs in each department to-day, 90 per cent of them Republicans, who have not been changed and who are ruling and controlling the country.

Mr. HARDY. Will the gentleman yield?

Mr. MOON. In just a moment. I wanted to demonstrate this fact, that you have already got there now a partisan gang, who make it a business to tell the people that the party in power is not capable of Government, that they have got nobody that is fit for those positions; and these Republican chiefs and Republican clerks in there are the real rulers in that department. And, unfortunately, that may be too true as to the details and the administration of the department.

Mr. McCOY. Will the gentleman yield?

Mr. MOON. No; not now. If you favor carrying it out and taking all the postmasters and assistant postmasters and other officials and bringing them up through the whole service, departmental or field, so that nobody else can get a position in there, you have just simply turned over this great department of the Government to a class; and, considering the corruption and villainy that have gone on in this office before, and the infernal partisanship that has been carried on there by the men who were retained from the old administration, and the manner in which they conduct things, I can not conceive of any idea of the corruption and the fraud that would result from a policy like that which the gentleman from Kansas suggests outside of hell itself.

Mr. MURDOCK. Does the gentleman yield? The gentleman has covered me with a fog here. I am trying to benefit the

service, I will say to the gentleman from Tennessee, and not to corrupt it.

Mr. MADDEN. Mr. Chairman, the most efficiently managed post office in the United States is in the city of Chicago. It is the biggest post office in the United States, with the greatest receipts of any post office in the United States.

There is absolutely no politics in that post office, and there has not been; and one-half of the men who are managing the affairs of that office have been there since they were appointed under Mr. Cleveland's administration. They are Democrats. Nobody ever questions their right to their Democracy. There is no place to find men who are qualified except in the ranks.

In commercial life men are trained from boyhood in the technicalities of the institution in which they are serving, and they are allowed to serve during all their lifetime because of the knowledge they have of the business in which they are engaged. I remember very well, when I was 10 years old, starting in the business in which I am now engaged, and every man who is subordinate to me started in when he was a boy and followed me from the bottom to the top.

I believe that these men, every one of them, are experts. We are looking for men who are specialists in their line of business. We are looking for experts, for specialists. This is an age of specialization, and if there is a business institution anywhere in America in which no politics should be indulged, that institution is the United States post office. It is one of the greatest business institutions anywhere in the world. We spend \$300,000,000 a year in its conduct, and no success has ever been achieved in reducing the expenditures except by hearty and unified cooperation with the men from the bottom to the top of the ranks.

Talk about postmasters knowing anything about the business of the post office. No postmaster can know. He comes into the service for a period of four years, with almost a definite understanding that that is to be the end of his service. He has other things to do. He does not care to learn the intricacies of the Postal Service. He has not time to do so. He is there for the job.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Texas?

Mr. MADDEN. I regret I have not the time. He does politics part of his time. The assistant postmaster, the superintendent of carriers, the superintendent of mails, the superintendent of the registry department, and the chief clerks of all the bureaus are the men who have the experience and the knowledge which make the service efficient and economical. I would be glad—gladder than I can tell you—to see some law passed by means of which men will be recognized in this service because of their experience and their efficiency and not because of their political pull. [Applause.]

Mr. HARDY. Mr. Chairman—

The CHAIRMAN. The gentleman from Texas [Mr. HARDY] is recognized.

Mr. MOON. Mr. Chairman, I move that all debate on this section close now.

Mr. HARDY. Mr. Chairman, I believe I have the floor. I have been recognized.

Mr. MOON. Then I move that the debate close in three minutes.

Mr. KEATING. Mr. Chairman, I trust the gentleman from Tennessee will increase the time limit in his motion. I would like to have three minutes. Let him make it six minutes.

Mr. HARDY. Mr. Chairman, the gentleman's motion will be in order at the end of my remarks. I have the floor now, as I understand it.

The CHAIRMAN. The gentleman from Texas will proceed.

Mr. HARDY. Mr. Chairman, philosophically I think the gentleman from Kansas [Mr. MURDOCK] is all wrong in policy and politics. The adoption of his philosophy which would install a class of officeholders from among whom the employees of the Government would be selected for life is all wrong and unsound. If there is any Democracy or any Republicanism in the establishment of an office-holding class who alone would have control of the greatest business organization of the Government, I fail to see it. No private business would for a moment consent to the statement that they must employ all their servants from some particular class of citizens. The banker will not do it, but you would close the door of your post-office business—

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. HARDY. No; I can not. You would close the doors of your post-office business so that no man, unless he rose up in it almost from boyhood, could enter it. It is the wildest dream

that ever a politician thought of while he is scoring politicians in his denunciation. No private business would stand for it, and yet he wishes to subject the great business interests of the post office to a rule that no banker, no merchant, and no manufacturer would apply to himself, so that thereby he could not go outside the circle of his subordinate employees to find a man qualified for his employment. It is a closed door. It is absurd. It is unphilosophical. [Applause.]

Mr. MOON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. CONN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 17042) to amend the postal and civil-service laws, and for other purposes, and had come to no resolution thereon.

HOURLY MEETING TO-MORROW.

Mr. MOON. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow morning.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow. Is there objection?

Mr. MANN. Reserving the right to object, in view of the existing situation I have no objection to that, if the gentleman will say that he will move to adjourn the House to-morrow when we get through with the pending bill, if we get through with it.

Mr. MOON. Yes. We shall not want to stay after we get through with this bill, and by meeting to-morrow morning early we hope to get through with it.

Mr. MURDOCK. Reserving the right to object, I should like to say to the gentleman from Tennessee that when the House meets to-morrow morning the amendment which I have offered will be pending, and a vote will be had upon it immediately. Ordinarily when the House meets here at 11 o'clock, if there are 10 or 15 Members here, it is a good many.

Mr. MANN. Oh, well, we shall have to have a roll call anyhow, whether we meet at 11 or 12.

Mr. MURDOCK. Not a roll call in Committee of the Whole.

Mr. MANN. We shall have to have a roll call on this bill, whether we meet at 11 or 12. We can not pass a bill like this without calling in a quorum.

Mr. MURDOCK. I know, but the gentleman from Illinois misunderstands me. I have offered an amendment in Committee of the Whole which is now pending, and undoubtedly the vote will come upon it almost immediately after we meet in the morning.

Mr. MANN. It will not come until "the gentleman from Illinois" has made the point of no quorum.

Mr. MURDOCK. In the House?

Mr. MANN. In Committee of the Whole?

Mr. MURDOCK. That is all right.

The SPEAKER. Is there objection?

There was no objection.

ENROLLED BILLS SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. J. Res. 288. Joint resolution to amend an act entitled "An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war," approved May 2, 1914.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 4628. An act extending the period of payment under reclamation projects, and for other purposes; and

S. 4966. An act proposing an amendment to section 19 of the Federal reserve act relating to reserves, and for other purposes.

FUNERAL OF MRS. WILSON.

The SPEAKER. The Chair will state to the House for the benefit of all concerned that it is intimated from the White House that the funeral of Mrs. Wilson will be at 2.30 o'clock Monday, and that at 4.30 the funeral train will leave for Georgia, provided the brother of Mrs. Wilson gets here. If he does not, the whole matter will be postponed 24 hours; and if we do meet on Monday, the Chair suggests that the members of the House committee meet at the right-hand gate that goes into the White House Grounds, just inside the gate.

POSTAL SAVINGS BANKS.

Mr. MOON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7967) to amend the act approved June 25, 1910, authorizing a postal savings system, and to disagree to the Senate amendments and ask for a conference.

The SPEAKER. The gentleman from Tennessee [Mr. MOON] asks unanimous consent to take from the Speaker's table House bill 7967, and to disagree to the Senate amendments and ask for a conference. The Clerk will report the title of the bill.

The Clerk read the title of the bill.

Mr. MANN. I will suggest to the gentleman from Tennessee that in the House print of the bill showing the Senate amendments there is an error.

Mr. MOON. There is an error, and the bill is to be reprinted.

Mr. MANN. I discovered it by looking at the original amendment.

Mr. MOON. The gentleman called my attention to it, and it will be reprinted.

The SPEAKER. Is there objection?

There was no objection, and the Speaker announced as conferees on the part of the House Mr. MOON, Mr. FINLEY, and Mr. SAMUEL W. SMITH.

ADJOURNMENT.

Mr. MOON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 17 minutes p. m.) the House adjourned until Saturday, August 8, 1914, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Ohio River above the dam at Louisville, Ky. (H. Doc. No. 1140); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

2. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Colorado River, Colo. and Ariz. (H. Doc. No. 1141); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

3. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination and survey of Ferry Cove, Md. (H. Doc. No. 1142); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. RUPLEY: A bill (H. R. 18279) regulating the salary of letter carriers of the Rural Delivery Service and permitting their engaging in other employment; to the Committee on the Post Office and Post Roads.

By Mr. HARDY: A bill (H. R. 18280) to authorize limited participation in the domestic trade of the United States by foreign-built vessels admitted to registry in the United States; to the Committee on the Merchant Marine and Fisheries.

By Mr. HOLLAND: A bill (H. R. 18281) granting the consent of Congress to Norfolk-Berkley Bridge Corporation, of Virginia, to construct a bridge across the Eastern Branch of the Elizabeth River in Virginia; to the Committee on Interstate and Foreign Commerce.

By Mr. REILLY of Connecticut: A bill (H. R. 18282) to revive the American ocean merchant marine and to secure to the American public the benefits due them for the hundreds of millions of dollars spent in the construction of the Panama Canal and in other ocean navigation improvements; to the Committee on the Merchant Marine and Fisheries.

By Mr. ROTHERMEL: Resolution (H. Res. 587) authorizing payment for expert and other assistance in connection with the fur-seal investigation of Alaska; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AIKEN: A bill (H. R. 18283) for the relief of Lenora C. Hubbard; to the Committee on War Claims.

By Mr. BOOHER (by request): A bill (H. R. 18284) for the relief of John Albus, jr.; to the Committee on Claims.

By Mr. CULLOP: A bill (H. R. 18285) granting an increase of pension to Edward D. Millis; to the Committee on Invalid Pensions.

By Mr. DAVIS: A bill (H. R. 18286) granting an increase of pension to Eden N. Leavens; to the Committee on Invalid Pensions.

By Mr. HUMPHREY of Washington: A bill (H. R. 18287) granting an increase of pension to Anne Hanson; to the Committee on Invalid Pensions.

By Mr. JONES: A bill (H. R. 18288) for the relief of Mary Ann Hosier; to the Committee on War Claims.

Also, a bill (H. R. 18289) for the relief of the heirs at law of Samuel G. Curtis and Elizabeth G. Curtis; to the Committee on War Claims.

Also, a bill (H. R. 18290) to remove the charge of desertion against the military record of William H. Thompson; to the Committee on Military Affairs.

By Mr. KINDEL: A bill (H. R. 18291) granting a pension to Harry S. Gilchrist; to the Committee on Invalid Pensions.

By Mr. MOSS of West Virginia: A bill (H. R. 18292) granting an increase of pension to Cornelius M. Conley; to the Committee on Invalid Pensions.

By Mr. SMALL: A bill (H. R. 18293) for the relief of Mary Bailey Pratt; to the Committee on Claims.

By Mr. STONE: A bill (H. R. 18294) granting a pension to Lenore Turner; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BOOHER: Petition of Arch Scovel and 80 other citizens of the fourth district of Missouri, favoring national prohibition; to the Committee on Rules.

By Mr. GOOD: Petition of citizens of Marion, Iowa, in favor of national prohibition; to the Committee on Rules.

By Mr. GRAY: Petition of sundry citizens of Fayette, Franklin, Union, Wayne, Henry, Rush, Shelby, and Hancock Counties, Ind., favoring the enactment of House bill 5308, providing for the taxation of concerns selling goods direct to consumers by mail; to the Committee on Interstate and Foreign Commerce.

By Mr. HELVERING: Petition of citizens of Clay Center, Kans., favoring consideration of Mr. Cook in the North Pole controversy; to the Committee on Naval Affairs.

By Mr. JOHNSON of Washington: Petition of 45 people of Hoquiam, Wash., favoring national prohibition; to the Committee on Rules.

By Mr. LEE of Pennsylvania: Memorial of First Methodist Episcopal Church of Shenandoah, Pa., protesting against passage of House resolution 16904, relative to freight yard opposite Sibley Hospital, in Washington, D. C.; to the Committee on the District of Columbia.

By Mr. MAGUIRE of Nebraska: Petition of sundry citizens of College View, Nebr., favoring national prohibition; to the Committee on Rules.

By Mr. NORTON: Petition of Carl J. Lena and others, of Wheelock and Wild Rose, N. Dak., favoring the passage of House resolution 12928; to the Committee on the Post Office and Post roads.

Also, petitions of J. R. Hames, of Surrey; John H. Leibert, of Flaxton; John Sattler, John Berger, A. F. Mischel, George W. Morin, H. F. Dennis, J. B. Fischer, and C. Turk, of Richardton; Minnesota district of the German Evangelical Synod of North America, at Eltzen; Charles C. Hill, of Richardton, protesting against national prohibition; to the Committee on Rules.

Also, memorial of Russell Memorial Methodist Episcopal Church, of Kenmore; Woman's Christian Temperance Union of Hofflund; Dakota Conference of the Zion Evangelical Church; Belden (N. Dak.) Sunday School; Heaton (N. Dak.) Christian Endeavor Society; Union Methodist Episcopal Church of Edmore; J. Lange and others, of Freda and Shields; 50 members of the Methodist Episcopal Church of Dickinson; Gladstone (N. Dak.) Epworth League; 300 citizens of Forest River; Vincent Methodist Episcopal Church of Minot, N. Dak.; Sunday School Association, at Jamestown; 300 members of the Epworth League of the Methodist Church of Jamestown; Young people's Society of Grafton, N. Dak., favoring national prohibition; to the Committee on Rules.

Also, petition of Mrs. Hjerrti Rud, of Freda, N. Dak.; Mrs. Bertha Metcalf, of Freda, N. Dak.; W. W. Metcalf, of Freda, N. Dak.; Mrs. Alfred Lee, of Leeds, N. Dak.; Mrs. A. Lien, of Freda, N. Dak.; Mrs. J. P. Lange, of Freda, N. Dak.; Mr. and Mrs. A. Tuntland, of Shields, N. Dak.; C. M. Butler, of Freda, N. Dak.; Mrs. C. M. Butler, of Freda, N. Dak.; Mr. and Mrs.

C. W. Ranum, of Freda, N. Dak.; and Mr. and Mrs. A. T. Lehn, of Freda, N. Dak., favoring the adoption of the Hobson-Shepard resolution for national prohibition; to the Committee on Rules.

By Mr. O'SHAUNESSY: Petition of Ida M. Brown and Sarah I. Peckham, favoring national prohibition; to the Committee on Rules.

Also, petition of the Chamber of Commerce of Minneapolis, Minn., favoring amendment to Senate bill No. 387, relative to bills of lading; to the Committee on Interstate and Foreign Commerce.

Also, petition of F. N. Westcott, of Pawtucket, R. I., favoring passage of H. R. 13305, standard-price bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of Chamber of Commerce of Milwaukee, Wis., favoring passage of Senate bill No. 387, relative to bills of lading; to the Committee on Interstate and Foreign Commerce.

Also, petition of sundry citizens of the State of Rhode Island, favoring the Bristow-Mondell resolution enfranchising women; to the Committee on the Judiciary.

By Mr. PAIGE of Massachusetts: Petition of sundry citizens of Fitchburg, Mass., in favor of national prohibition; to the Committee on Rules.

By Mr. SMALL: Petition of sundry citizens of Wanchese, N. C., favoring national prohibition; to the Committee on Rules.

By Mr. TEN EYCK (by request): Petitions signed by six members of the Typographical Union of Troy, N. Y., protesting against the Hobson resolution; to the Committee on Rules.

SENATE.

SATURDAY, August 8, 1914.

The Senate met at 11 o'clock a. m.

Rev. J. L. Kibler, D. D., of the city of Washington, offered the following prayer:

O God, as we look without upon the appalling disaster of nations, and look within upon the grieved heart of our own people, we can but turn to Thee for a hiding place under the shadow of Thy wing. In meeting the tasks of every hour, and in serving the country we love, we need that balance of thought and that calm composure which grace alone can give. May we find our refuge in Thee. In this busy, anxious hour, while our hearts are linked together in loving sympathy, guide Thy servants in the conscientious discharge of every duty. "Lead, kindly light, amid th' encircling gloom." Hear our plea, for Jesus' sake. Amen.

The Journal of yesterday's proceedings was read and approved.

TRANSFER OF VESSELS FROM COASTWISE TRADE.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Secretary of Commerce, transmitting, in response to a resolution of the 3d instant, a copy of the department's telegram of the 5th instant to collectors of customs instructing them to ascertain the vessels now in the coastwise trade which the owners would use in over-sea foreign transportation in the present emergency, together with copies of telegrams received in reply thereto.

Mr. GALLINGER. That communication is in response to a resolution which I presented and which was agreed to by the Senate. It is a report upon ships in the coastwise trade available for foreign commerce. I ask that it may be printed in the Record, as it directly relates to the subject under consideration by the Senate.

The VICE PRESIDENT. Without objection that will be done. Is any further action to be taken?

Mr. GALLINGER. It might well be referred to the Committee on Inter-oceanic Canals, I think.

The VICE PRESIDENT. That action also will be taken.

The communication was referred to the Committee on Inter-oceanic Canals and ordered to be printed in the Record, as follows:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, August 7, 1914.

The SECRETARY UNITED STATES SENATE,
Washington, D. C.

SIR: Complying with the instructions in Senate resolution 436, I transmit herewith a copy of the department's telegram of the 5th instant to collectors of customs instructing them to ascertain the vessels now in the coastwise trade which the owners would use in over-sea foreign transportation in the present emergency and copies of the telegrams received in reply thereto.

Respectfully,

E. F. SWEET,
Acting Secretary.